

CREATIVE EUROPE

PROGRAMME ANALYSIS AND RECOMMENDATIONS

Culture Action Europe is a membership not-for-profit organisation. We connect those that strive to put culture at the heart of the public debate and decision making. We believe, that culture is a pillar for sustainable societies, its enjoyment is a fundamental human right and a fully democratic European Union is essentially a cultural project. As the major cultural network in Europe, we are the political voice of tens of thousands cultural players, practitioners and activists across the continent.



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RECOMMENDATIONS

Culture Action Europe (CAE) has carried out an analysis of the first two years of operation of the Creative Europe programme's Culture sub-programme. The analysis and ensuing recommendations are based on a survey launched by CAE. They offer a preliminary appraisal of how the cultural sector has adapted to Creative Europe, as well as the programme's adjustment to the needs of the sector. Thanks to the detailed insights of CAE's members and close contacts, the survey offers a comprehensive, cross-sectoral, trans-European assessment of the current programme and points to critical aspects that should be taken in consideration for a more effective implementation and, in particular, when designing the following post-2020 cycle of the programme.

With regard to the EU Creative Europe Programme, Culture Action Europe:

Priorities and structure

- 1** Considers a re-balance of priorities imperative in view of the current socio-political challenges that Europe faces with the goal to build a more inclusive and cohesive Europe. Notes that the increasing economic orientation of the Culture sub-programme and subsequent neglect of social, artistic and cultural priorities is a concerning trend for the sector. Calls therefore for a balanced approach giving equal weight to the cultural, social and economic aims and objectives of the programme, also in the view of the increasing evidences ([Indicator Framework for Culture and Democracy](#)) of the contribution of culture to democratic openness, trust and political engagement. Calls to underline the EU-added value of selected projects and their contribution to foster European integration and cohesion through culture.
- 2** Notes that synergies between MEDIA and Culture are not apparent.
- 3** Calls for the development of a cross-sectoral strand accessible to all cultural players, balancing funding approaches adequate for organisations with innovative artistic, cultural and social goals and those market oriented initiatives that require a different financial logic, currently dominant within the cross-sectoral strand.

4 Recalls that the contribution of the loan guarantee facility to the not-for-profit sector is still unclear and at the present time, runs a high risk of becoming geographically imbalanced. Suggests that further appropriations dedicated to the facility should be limited until results demonstrate its value to the wider sector. Calls the Commission to consider the possibilities of developing synergies with other programmes better tailored to accommodate financial instruments, such as EFSI.

5 Notes that priorities show an exceedingly narrow focus, limiting the development of more experimental and innovative segments of the cultural sector, as well as lowering the reactivity to unforeseen events in a rapidly changing world. Notes that such flexibility is a key asset of the cultural ecosystem and central to the logics of operation of the sector. Calls therefore to open the scope of priorities and to allow greater flexibility in budget allocation for non-specified activities of up to 20%, in particular for the network strand.

6 Calls to support the sustainability of Networks by including a mixed funding approach, combining operating funding and project grants that adjust better to their logic of operation.

7 Calls for more clarity in the European Platforms strand with respect to its policy rationale and sustainability. Notes that promotion of new talent needs to be accompanied with career development.

8 Calls for more clarity in the literary translation strand with regards to its policy objectives. Notes that under its current definition and budget, the literary translation strand does not sufficiently contribute to promote linguistic diversity.

Access, application, reporting, simplification and transparency

9 Regrets that the programme remains difficult to access for small cultural not-for-profit organisations, particularly in cooperation projects, and risks an increasing geographical imbalance. Notes that countries that have recently joined the EU, as well

as those that participate in the programme but are not EU members often have difficulties in accessing the programme; hence limiting its impact.

10 Acknowledges and welcomes the simplification effort; yet notes that on average, one month is needed to prepare an application, excluding project design. Stresses that the application process remains a significant barrier to access for a substantial number of cultural organisations, particularly small organisations. Calls for the introduction of a real two-stage application and a tailored application for small cultural organisations. Notes that a longer time-span between the announcement of the call and the submission deadline, as well as better and earlier communication, including expected delays, would facilitate the application process.

11 Notes that organisations devote above one month of full time work on average to reporting duties. Suggests financial reporting to be simplified by only listing expenses above a certain cost level, as well as reducing the number of financial details required. Encourages including questions from the interim report in the final report, where they would only need to be expanded.

12 Notes that audits of transnational programmes with multiple partners are complex and imply considerable costs, subsequently impacting the budget. For those projects above € 750.000 the required external audit raises the cost of application without guarantee of accessing funding. Notes that guarantees remain problematic for small organisations, which often need to be guaranteed by stronger partners. Considers further simplification could be achieved by reducing the financial planning form and creating a special section for organisations with lower annual turnover; as well as limiting duplications in different forms and increasing flexibility in formats of submission, among others.

13 Praises the work of the Creative Europe Desks and calls for harmonisation in their level of support. Suggests expanding the remit of the CEDs to cover all EU programmes of interest for the cultural sector. Calls for a faster and better flow of information between EACEA and the CEDs and points out that greater attention should be given to IT compatibility and smaller administrative errors that hinder the application process.

14 Notes that transparency in the evaluation is the bedrock of the reputation of a public programme. Calls for clearer selection criteria and their significance in the final

decision as comparison between evaluations show discrepancies on how points are awarded. Calls for clear benchmarks for evaluators; as well as trainings to improve their alignment. Invites the Commission to explore options such as inviting applicants to clarify details of the application or evaluating proposals through a balanced jury of qualified experts. Asks for greater transparency in the selection of experts and more clarity in the final stage between the evaluation through experts and the final selection.

15 Calls for a greater balance between quantitative and financial criteria and qualitative criteria in the selection process, including artistic content and activities, also allowing space to distinguish between staff, artists and expert costs in the e-form budget overview as it often leads to misunderstandings by experts. Points out that the weight given to the EU Prize for Literature in the evaluation of the Literary translation projects does not adjust well to the reality of the publishing sector.

16 Re-instates that progress should be made in expanding qualitative evaluation in reporting in consultation with the sector. Notes that dedicated resources will be needed to accompany the development and implementation of methodologically sound qualitative evaluations frameworks and tools.

17 Points to the payment structure as one key area of improvement. Recognises that achieving a balance between the current financing rates and the available budget is complex, yet encourages the Commission to increase financing rates in those strands where they hinder access to the programme. Notes the substantial and increasing cash-flow problems, affecting even staff salaries. Suggests exploring options such as introducing yearly transfers, paying 10% of the last instalment at the moment of report submission or reducing the time-span between submitting the report and the transfer to one month.

18 Suggests applying the exchange rate of the day to shelter organisations and providers from unexpected changes, leading to losses, and align project reporting with book-keeping.

Impact and budget of the current programme

19 Regrets the low and decreasing success rates of applications in the Culture sub-programme. Invites the Commission and the Council to substantially increase the budget and ensure that it is not reduced by the (potential) withdrawal of countries

from the programme. Calls for a non-preferential approach between all cultural initiatives, to valorise the current hybridisation between practices and formats and to recognise the equally challenging conditions under which all cultural sub-sectors operate. Stresses that any future expansion in terms of priorities or structure should be accompanied by an increase in the budget.

Post-2020 cycle

20 Stresses that the next cycle of the programme should correct the current imbalance between the economic, cultural and social domains. Notes that the EU-added value of selected projects and their contribution to fostering European convergence through culture should be explicitly considered in the programme and the selection of beneficiaries. Calls for strengthening and including, with the appropriate budget allocation, the following priority areas in order to meet the current and foreseen needs of the sector; traditional and digital audience engagement, cultural diversity, intercultural dialogue, social inclusion and cohesion; international cooperation, cross-sectoral and crossover projects, citizen's participation, sustainable development, equality according to current EU law obligations¹, freedom of expression and cultural rights. Points to the inter-linkages between these domains. In particular, audience development should move beyond quantitative approaches and progress towards audience engagement, taking into account participation, inclusion and diversity.

21 Calls to consider the amendment of the Creative Europe legal basis to accommodate projects and organisations with high cultural relevance for the Europe. Stresses, however that any negative impact of such amendments on the Creative Europe Culture budget would be unacceptable. Reinstates the need to guarantee the independence and transparency of the decision-making process, indispensable for building confidence in equal opportunities for all.

22 Calls for a cross-sectoral strand that offers a balanced space for innovative cross-sectoral and crossover projects with artistic, cultural and social aims. Notes that cross-sectoral initiatives, within and beyond Creative Europe, should reach beyond the traditional cultural sector to include research, education and technological experimentation, which by nature present high economic risk levels but high social returns;

¹EU directive 2000/43/EC on the implementation of the principle of equal treatment between persons irrespective of racial or ethnic origin, EU directive 2000/78/EC on the establishment of a general framework for equal treatment, EU directive 2006/54/EC on the implementation of the principle of equal opportunity and equal treatment of men and women in matters of employment and occupation, and EU directive 2004/113/EC on the implementation of the principle of equal treatment between men and women in the access to and supply of goods and services.

hence requiring higher financing rates and hindering the support of these initiatives through traditional financial mechanisms.

23 Calls for better and deeper harmonised sectoral data on the following areas: participation and well-being, sectoral business structure, artists' and creative practitioners' economic situation, and their socio-economic background. Calls for better data on equality as regarded in EU law², building upon the new European handbook on Equality Data.

24 Calls upon the European Commission to ensure continued cultural exchange with neighbouring countries, including the UK, in order to maintain strong ties between civil society and safeguard the stability of the cultural sector and creative exchange.

25 Affirms that culture has a fundamental role to play in promoting a sustainable and united Europe and stresses the key role of European institutions in accompanying the peaceful emergence of a hyper-diverse Europe. Calls therefore to continue to promote a transversal approach to culture across policy areas, and to ensure greater policy coherence, in particular regarding research, education and skills development, regional development, migration and sustainability.

EXECUTIVE SUMMARY

Culture Action Europe's analysis on Creative Europe

Creative Europe – Structure and objectives

- ⇒ The structure of the programme, divided in MEDIA and Culture, is increasingly clear for respondents and more than half sees it as appropriate for their organisations. Yet, 62% believe that it's not positive for the sector as a whole, as it signals a trend where social and cultural objectives are increasingly seen as subordinate to the economic development of the sector. The contribution of culture to the economy of the European Union is undeniable, amounting to 4.5% of the EU GDP and around 4% of the EU's share of employment. Yet, in the current socio-political context, more than ever, there is a need to guarantee that economic, social and cultural objectives are balanced within the programme. Failing to do so would constrain the wider contribution that artists and cultural actors can make to the European project. In this regard, culture can strengthen democracy: as the new indicator framework for Culture and Democracy shows, there is a robust relationship between active cultural engagement and democratic openness, political engagement, trust in society and well-being.
- ⇒ The synergies between MEDIA and Culture are not apparent in the view of respondents. The fact that the loan-guarantee facility is often cited as an example of such transversal approach signals to an increasing market-driven understanding of such synergies.
- ⇒ The majority of the respondents (64%) consider that the priorities of the Culture sub-programme offer sufficient scope to develop some of their core activities, while a third struggle to do so. Priorities are regarded as too narrow in focus, especially when approaching innovative and experimental artistic creation. More flexibility in budget allocation for non-specified activities (up to 20%) is also seen as important, particularly for networks, as they need to be able to react to the rapidly changing socio-political reality of the EU.
- ⇒ The emphasis the programme gives to the different priorities diverges from the sector's main drivers. Intercultural dialogue emerges as the main priority for cultural operators, considered by 68% as very relevant, followed by trans-national and international cooperation (54%), audience development (48%) and fostering policy development (42%). Sustainability, innovation and new business models are only seen by 17% as very relevant. Audience development should progress towards an approach to audience engagement that takes into account participation, inclusion and diversity. Given the limited budget of Creative Europe and its low success-rate of only 15% ([EP Report on the](#)

[implementation of Creative Europe, Feb. 2017](#)), increasing the financial appropriations to the CCS loan guarantee facility should be avoided until its transversal value for the cultural sector has been demonstrated in practice. It is also felt that the CCS loan guarantee runs a high risk of becoming geographically imbalanced. Additionally, some respondents feel that artistic quality and artistic work are being increasingly side-lined in favour of socio-economic drivers.

Application and accessibility

- ⇒ Respondents acknowledge that the application process has improved with respect to previous programmes. However, 80% of the respondents believe that the Culture sub-programme is not easily accessible for cultural organisations, and 88% consider the application process a barrier for small organisations.
- ⇒ The administrative procedure, the application tools and the forms to fill in remain too complex and burdensome. Overall, experienced organisations devote a month of work to apply to Creative Europe, excluding project design.
- ⇒ Increasing the time-span between the launch of the call and the application deadline would allow organisations to build higher quality and more tailored partnerships, while pressures would be diluted across a longer period. Better and earlier communication regarding the publication of the calls, including expected delays, would also be seen as a big improvement that carries no financial implications. Equally, small administrative lapses in the forms and compatibility formats can also be easily corrected.

Strands

- ⇒ Respondents note that more clarity in the European Platforms strand with respect to its policy rationale and sustainability is needed. To be effective, promotion of new talent needs to be accompanied with career development.
- ⇒ In Creative Europe, the European networks strand shifted from operational funding to project funding. 60% of the respondents had to adjust priorities leading to tensions with the needs of their members and audiences in some domains. Allowing for a higher percentage of the budget to be devoted to non-specified activities would ease such situation. Alternatively, a mixed funding approach, combining operating funding and project grants, is seen as adjusting better to the realities of networks. Networks are concerned by the lower importance given in the application to activities in comparison to operative and structural issues, such as reach or membership. 66% of the respondents would see positively a rebalance of the points assigned across evaluation's criteria.

- ⇒ Literary translation projects encourage the translation and promotion of books awarded with the EU Prize for Literature. The sector's stakeholders report that it is difficult to convince publishing houses to acquire licenses based on prizes.

Support

- ⇒ Overall, applicants are satisfied with the support they receive. CEDs are seen as an integral part of the application process, with 70% of the respondents having reached to the CEDs for help and 67% finding their advice very useful. Harmonisation of the level of service across countries and faster and better flow of information between EACEA and the CEDs are the two main suggestions to improve the capacity of the CEDs to respond to the needs of applicants. There is no consensus with respect to widening the scope of activity for the Desks, with the exception of aggregating information of EU programmes relevant for the cultural sector under the CEDs.
- ⇒ The technical Helpdesk of EACEA was used by 44% of respondents in their application, with 64% being satisfied with their support. IT issues emerge as a problematic area across a number of respondents (e.g. lack of compatibility).

Simplification

- ⇒ A simplified procedure was promised under the Creative Europe. 36% of the respondents see positively the changes introduced, but 40% believe it remains too complex. The transition from paper to e-forms and the simplification of the description of activities are seen positively, as well as the possibility to submit some documents after the deadline. Yet, as these documents need to be ready immediately upon request the potential for simplification is diminished. Additionally, the new forms added, together with the duplication of information in excel and e-form, and the difficulties to estimate accurate statistics add additional challenges.
- ⇒ A real two-step application emerges as the most effective way forward to achieve substantial simplification, with 84% in favour of the measure. If this measure is to be taken forward success rates at the first stage should not act as a disincentive. Equally, the application should not restrict the expression of the proposal's creative component and offer policy guidance.
- ⇒ Concrete suggestions for simplification include: Simplifying the financial planning form and creating a special section for organisations with lower turnover, limit duplications or very similar questions in different forms, set pages/half pages/lines limits rather than characters, and increase flexibility in formats of submission.

Audits and guarantees

- ⇒ Above a third of the respondents have audits in-house. Overall, 50% of the respondents see running financial audits as burdensome or very burdensome and imply a costly additional investment given the complexity of auditing transnational programmes with multiple partners. Above €750.000, the need to submit audits at the time of the application imply an additional investment without the security of accessing funding. Increasing the time to submit the audits is seen favourably.
- ⇒ Bank guarantees are a cause of hardship for smaller organisations. Banks do not tend to offer guarantees to non-profits if they do not own tangible assets, such as buildings.

Evaluation and transparency

Respondents understand that qualitative evaluation of the level of complexity of EU programmes will always be a challenge. Suggestions to improve transparency include:

- ⇒ Clearer selection criteria and their significance in the final decision as comparison between evaluations show discrepancies on how points are awarded. More detailed and faster feedback, including clarifying the amount of points deducted when negative issues are raised by evaluators. Adding a dedicated space in the e-form budget summary of the application to indicate staff, artists and experts costs would decrease misunderstandings by experts.
- ⇒ Clear benchmarks that offer sufficiently detailed information and trainings for experts to improve their alignment.
- ⇒ Invitations to clarify details of the application, as feedback suggests that many negative evaluations stem from misunderstanding by experts.
- ⇒ The cultural sector cannot be understood, nor assessed, through quantitative or structural criteria. It is acknowledged that the indirect and long-term impacts of cultural activities are difficult to measure, yet they should be taken into account. More qualitative evaluation is seen positively by 76% of respondents. Qualitative evaluation is a field that should be developed with determination and progressively introduced in the assessments to complement quantitative evaluation. The Commission could contribute by supporting the development, in consultation with the sector, of adaptable frameworks and ready-to-implement tools.
- ⇒ More transparency in the selection of experts is necessary according to 64% of the respondents. An alternative proposal would be to move towards a jury of qualified experts in each priority area, with a balanced representation in terms of geographical origin, gender and expertise.

- ⇒ After the evaluation is submitted by the experts to the Commission the process lacks transparency. Clarifying this last step is crucial.

Finances and payment

- ⇒ 82% of respondents see substantial area for improvement in the payment structure. In particular, pre-financing and co-financing rates are problematic for 65% and 35% of respondents respectively. The current rates require organisations to have reserves, access loans or alternative funding, both increasingly difficult to obtain and reinforcing geographical imbalances. This limits participation of organisations with lesser turnover. Acknowledging that European initiatives in the field of culture need to comply with the subsidiarity principle, and that the current budget of Creative Europe limits an increase in financing rates, a better balance could be achieved in those strands where rates might hinder participation in the programme. Greater financial flexibility is needed to be able to support projects and collaborations that arise during the time-span of the grant.
- ⇒ Serious and increasing cash-flow problems arise from the time-span between the submission of the report and the last instalment, even affecting staff salaries. As such, participants suggest exploring options such as reducing the transfer period, transferring 10% of the remaining grant at the point of submission of the report or introducing yearly transfers.
- ⇒ The exchange rate rule is problematic for 62% of the organisations' surveyed. Applying the exchange rate of the day of payment would adjust better to reality, limit losses, protect organisations from unexpected changes and align project reporting with book-keeping.

Communication with institutions

- ⇒ Respondents are satisfied (85%) with the quality of communication. In order to ameliorate the response rate and flow of communication, respondents ask for reinforcement of the CED and EACEA's support structures, as they are aware of the workload of officers.

Reporting

- ⇒ Organisations devote an average of 37.2 days to reporting obligations. Added to the time needed to apply, 2 months of full time work dedicated to comply with administrative work are required.

- ⇒ Opinions regarding the added value of indicators diverge. Respondents clearly favour more qualitative evidence (86%). As such, data collection through testimonials or similar formats is seen favourably. Stories must be collected within structured, cost-effective evaluation frameworks, and compiled by external evaluators. According to the respondents, a good indicator framework should try to capture some or most of the following impacts: EU added value, artistic innovation, learning and aesthetic experience, participation, development of critical thinking, sustainability, degree of new cooperation, the creation of bonds between communities, and the degree of structural change over time in the professional development of the sector. The move towards a greater use of evidence should be coupled with resources to make these evaluations feasible and methodologically sound.
- ⇒ Suggestions for simplification of reporting include the repetition of questions included in the interim report in the final report, where they would only need to be expanded, the elimination of indicators (statistics) that are not meaningful or a substantial simplification targeted to few but relevant areas of impact, and narrowing of the scope of the report limited to results instead of merely listing activities.
- ⇒ Financial reporting can be simplified by only requesting to list expenses above a certain cost level, avoiding in this way the lengthy process of listing minor costs. Separating expenses per category (e.g. receipts from 3r countries) is also seen as a heavy process with limited value-added.

Creative Europe: Post 2020

Future beneficiaries

81% agree on the need to facilitate the access of micro and small organisations to Creative Europe, without disregarding larger organisations and cooperative structures. In order to have a fair level playing field, two different approaches could be needed; one catering for large and medium organisations and one adapted to micro and small organisations.

Future priorities

- ⇒ There is a split between those who think that the current priorities cover some of the core needs of the sector (40%) and those who feel they would be insufficient when looking into the future (40%). Yet, there is a consensus on the need to rebalance the emphasis given to economic priorities and artistic, cultural and social priorities within the programme. Audience engagement and social inclusion, followed by International cooperation and the increasing importance of cross-sectoral and crossover projects are the priorities that sector feels better suit their current and future needs. The need to make explicit the EU added value of initiatives is also mentioned. The Guarantee Facility and access to markets is only seen by 40% as an important priority. As such, it is felt

Creative Europe's priorities need to be re-balanced by strengthening the focus and scope of the following domains: cultural diversity and intercultural dialogue, social inclusion and cohesion. Domains falling outside of the current remit of the programme but considered important in the period ahead are citizen's participation, sustainable development, equality, freedom of expression and cultural rights.

- ⇒ Education for and through culture and the arts emerges as an important priority not sufficiently addressed by current European programmes (in Creative Europe and beyond). Proposals include a dedicated ERASMUS + line on lifelong arts education for artists and educators to ease problems in artists' mobility and inclusion to the labour market of young graduates. Culture and education is not solely understood within the boundaries of the sector. Engagement with the 2020 education framework is also suggested as an area where culture has a clear role to play. In particular, to advance in transversal competences such as cultural awareness and creativity. In this respect, maximising policy coherence across policy fields is a needed step. Early cultural and artistic education is key for audience development, yet Education and Culture remain disconnected policy fields.
- ⇒ Harmonised data is needed for sound policy development. The Structural Business Statistics needs to cover the cultural sector, and data regarding artists' livelihoods and their socio-economic background are increasingly needed. More and better data on equality as regarded in EU law is needed. The new European handbook on Equality Data offers a good base to build upon.

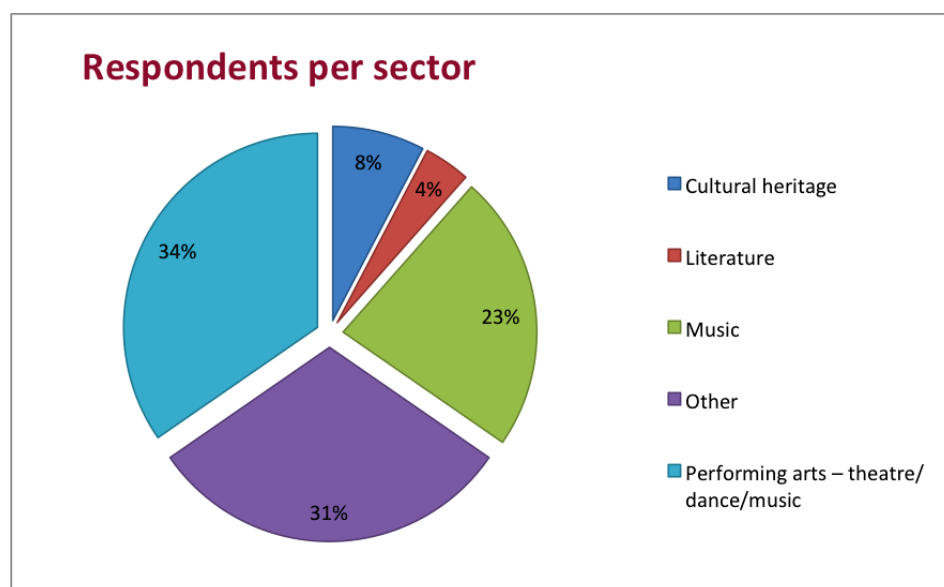
Future structure

Any future structure should retain an approach where economic, social and cultural and artistic values are ensured. This balanced logic should also be reflected in a transversal strand. Any new inclusions should be accompanied with a corresponding budget increase in order not to overburden financially the Culture sub-programme. Currently, 83% of respondents consider the actual budget as insufficient when the low success rate is taken into account.

ANNEX: SURVEY ANALYSIS

Creative Europe: consultation results and analysis

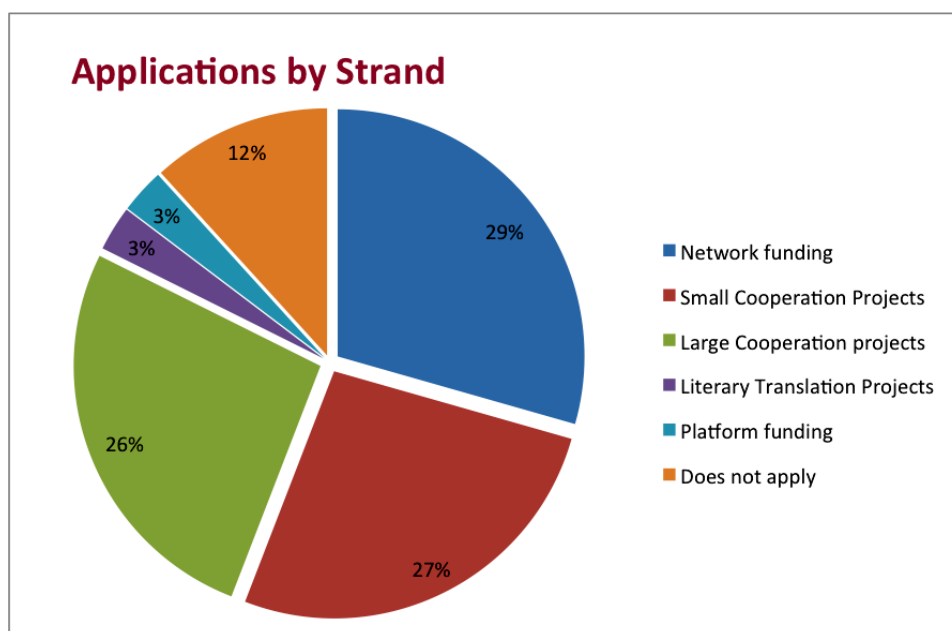
Culture Action Europe consulted with its members through a survey during December 2016 and January 2017. In this period CAE received 30 responses. Additionally, 4 members submitted extended qualitative contributions. Almost a third of respondents are European cultural Networks. Networks bring the experience of their extensive transnational membership, acting in this way as a node that aggregates disperse knowledge and hence, their contribution goes beyond their individual response. The remaining 60% of responses are composed by a wide variety of organisational forms, including associations, regional bodies, institutions dependent of Ministries of Culture, cultural centres, unions, not-for-profit organisations and private entities.



The cross-sectoral, pan-European nature of CAE's membership offers a comprehensive coverage of the cultural sector's experience with the Creative Europe's Culture sub-programme. As such, the analysis includes the main cultural sub-sectors active at a European level from 10 different members

states, with the majority of the respondents themselves representing European organisations.

The majority of the respondents (78%) have applied to the Creative Europe Culture sub-programme, hence offering a deep understanding of its strengths and limitations. Additionally, a third of the contributors have a substantial knowledge of other EU programmes, having applied to more than one programme. Reflecting the increasing understanding that culture is a societal issue of a transversal nature, respondents have also applied or participated in Europe for Citizens, Interreg, COSME, Leader +, Erasmus+ and Horizon 2020. Equally, responses offer a balanced coverage of all the Culture sub-programme strands.



Lastly, 70% of the respondents did not externalise the production of their application, which further grounds their responses in practice and shows a positive trend towards developing skills in-house.

Creative Europe Programme 2014-2016

Creative Europe 2014-2020 introduced a new structure, bringing together the former MEDIA and Culture sub-programmes. After the initial two years of operation, it is possible to offer a preliminary assessment of how the cultural sector has adjusted to the new programme and how it adjusts to the needs of the sector.

Structure

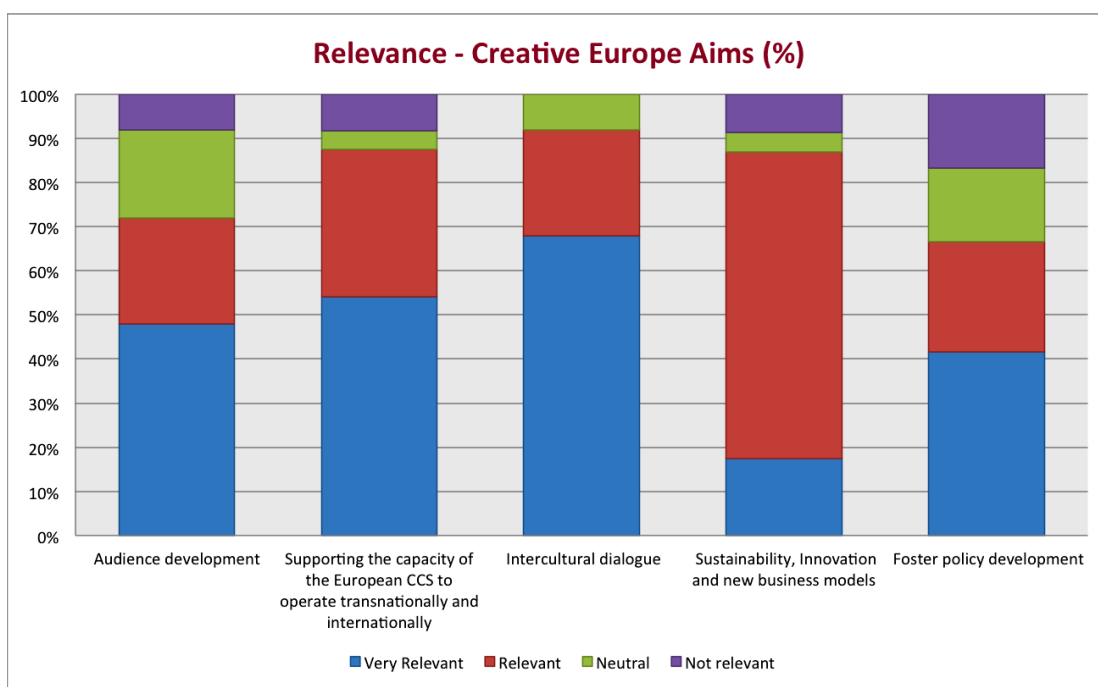
The MEDIA and Culture sub-programmes have remained clearly demarcated, facilitating in this way the transition. This is shown by the fact that 92.3% of respondents find the programme structure clear. For 62% of the participants in the survey, the current structure is adequate for their organisation but only 38% sees it positive for the sector as a whole. For some respondents placing the two sub-programmes under the same programme is grounded in political constraints rather than in the needs of the sector. Moreover, this is seen as signalling a trend where the economic and market driven vocation of the MEDIA programme is given pre-eminence over social, artistic and cultural concerns. While recognising that there is an important economic contribution by the Creative Industries, respondents highlight the need to guarantee that economic, social and cultural objectives are balanced within the Culture sub-programme.

Overall, there is not yet a clear sectoral position when assessing the evolution of the structure of the programme, as a third of respondents believe the new structure is positive, a

third considers it a negative evolution and 40% don't have a clear opinion. When assessing the synergies that were meant to stem from the new structure, 44% of respondents have doubts, 32% believe that synergies have not materialised, while 24% think positive synergies are increasingly apparent.

Priorities and aims

The stated priorities of the Culture sub-programme are perceived by 64% as offering sufficient scope to develop some of their core activities, while 36% struggle to do so. Respondents recognise the honest effort of the Commission to act upon some of the main challenges of the sector and overall see them as adjusted to their needs. However, more than one third of the respondents had to readdress their priorities and activities to fit the Culture sub-programme. This caused the displacement of other lines of work that were perceived as more relevant to their members and audiences.



Across the range of aims that the Culture sub-programme addresses, intercultural dialogue emerges as the main priority for cultural operators. The strengthening of intercultural dialogue as a key focus stems from the increasing social fragmentation perceived across Europe. While the sector recognises that the Commission has shown an increasing awareness of the importance of such challenge, the allocation of resources is not perceived as sufficient in order to have a systemic impact. Cultural organisations also consider support for trans-national and international cooperation, audience development and fostering policy development as very relevant priorities. In this regard, the transition towards a digital economy and the challenge of reaching younger publics that are fully immersed in a digital environment are cited as topics

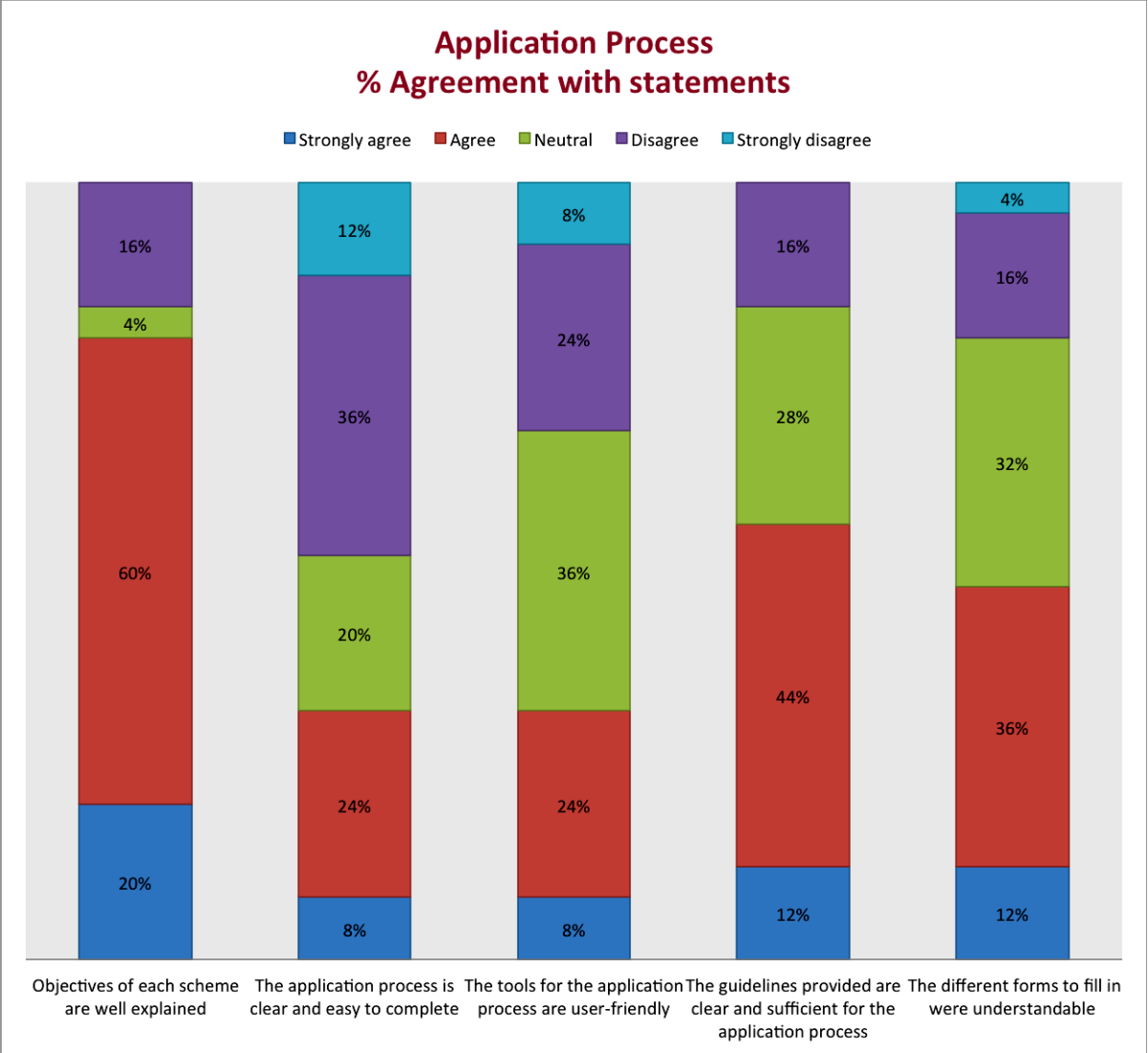
where the sector requires support. Sustainability, innovation and new business models are also seen by 70% of the organisations as areas where development is needed, yet subordinated to the above.

Importantly, priorities are regarded as too narrow in focus. Innovative and experimental artistic creation is not well covered by the programme. Additionally, the lack of flexibility to act upon opportunities or when needs arise is seen as a limitation, in particular for networks. The cultural sector is highly flexible and adaptive in their modes of operation, often project-based and strongly driven by fluid networks of practice. It is suggested that offering some space within the programme (up to 20%) to develop complementary priorities would be beneficial for networks. For example, some organisations point to the difficulties of forecasting events such as the UK referendum to leave the EU that have a clear cultural component they consider important to act upon.

Some respondents feel that artistic quality and artistic work are being increasingly sidelined in favour of socio-economic drivers. While the Culture sub-programme responds to a fair analysis of the sector's needs and challenges, the emphasis assigned across priorities does not correspond to the ranking of priorities by cultural operators. There is a consensus among respondents that culture is a strategic economic sector, contributing to economic growth, employment, international trade and tourist attractiveness. However, there is a certain concern regarding the increasing economic orientation of the Culture sub-programme and the crowding out of social, artistic and cultural priorities of greater relevance to the sector. This trend is seen negatively by 38% of the respondents, positively by 29%, while 33% do not have a clear view yet. Culture contributes to the public interest by fostering social pluralism, opening spaces of exchange where shared values can be forged, stimulating critical thinking and promoting cultural diversity. As the [new indicator framework for Culture and Democracy shows](#), there is a robust relationships between a number of culture and democracy dimensions such as active cultural engagement and democratic openness; political engagement; trust in society and well-being. As such, respondents call for equal recognition of the social and humanistic dimension of culture within Creative Europe. Moreover, rebalancing priorities is seen as increasingly important due to the current social and political climate. Failing to do so would constrain the wider contribution that cultural players can make to the European project.

Application and accessibility

Respondents acknowledge an improvement in the application process when compared with previous programmes. The majority considers that the objectives and guidelines are clear and easy to understand. In contrast, the administrative procedure, the application tools and the forms to fill remain complex and too burdensome for organisations, in particular when weighted against the limited budget and the success rate of the programme.



As a result of the heavy application procedure, 80% of the respondents believe that the Culture sub-programme is not easily accessible for cultural organisations. The substantial time needed to prepare the application, together with specific skills and EU knowledge and financial constraints are the main factors hindering access.

What are the main factors hindering access to Creative Europe?

(open answers)

“...the cultural sectors is composed by a multitude of small, highly flexible and responsive structures. The Creative Europe programme must take this specificity into account and offer support that is adapted to the reality of the sector...”

...the application procedure is very heavy (bureaucracy, big amount of documents to read and of forms to fill in), high amount of competition for a rather small amount of funding, the time for application is short, and security on national co-funding weak...

...the writing of the application is very time consuming - especially if the organisation tries for the first time to get funding...guidance from support agencies or an organisation which has knowledge of the process and European programmes is crucial to apply for the first time...

...existing competence levels in the organisation, high levels of bureaucracy and lack of information..."

Moreover, 88% believe that the application process' requirements make access to the Culture sub-programme difficult for small organisations. This fact hinders access to European funding for a considerable number European cultural organisations, which tend to be micro and small organisations. The heavy application procedure requires a substantial amount of time and financial capacities, including those devoted to sustain dedicated human resources with the adequate specific skills and EU knowledge. This is not always available to small organisations. Nevertheless, some respondents do not consider size as the relevant variable limiting access. In their view, barriers are not linked to size but to the financial and human resources of the organisation. Considering in each strand a tailored approach for micro and small organisations adjusted to their capacities is proposed as a way forward.

What are the main barriers to access Creative Europe for micro and small organisations?

(open answers)

"... Most micro organisations in the field of performing arts lack the necessary financial, organisational and time resources to meet the demands of the Creative Europe Programme. It' s too bureaucratic; it requires external professional help, which is not feasible due the to financial constraints of micro and small organisations..."

... Small organisations cannot afford extra time for the application procedure...

... With no permanent staff and small revenues from membership, it is extremely difficult to submit an application that meets all the administrative regulations...

...the increasing complexity of the application requires a very important human investment on the part of structures with few human resources in a programme with very low success rates...

···It depends, for large-scale cooperation projects certainly not. Smaller cooperation projects are more feasible if the organisation manages to find the money, time and personnel to submit an application···”

The timing of the calls is unsatisfactory for 52% of the respondents, while 40% believe it's adequate and the remaining 8% do not have a clear opinion. This is an area where minor adjustments can make a substantial difference. Respondents propose increasing the time-span between the launch of the call and the application deadline. In this way, organisations would be able to build higher quality and more focused partnerships. Additionally, the pressures on the organisation would be diluted across a longer period, easing the burden.

Under the current setting, some see the application process as part of a learning-curve, where reaching the deadline is feasible only after gaining experience through previous calls. On average, experienced organisations devote 25.3 days to prepare the information requested in the application form and its annexes. In addition to the above, around 9.5 days are required to complete the application process online (ECAS account, registration and e-forms). Overall, a month of work is required to apply to Creative Europe, excluding project design. Devoting almost one month to complete an application is unfeasible for many organisations. Starting the preparation of the application earlier is not a solution as forms vary from call to call. Equally, planning in advance does not facilitate the application task if the calendar of the calls is not respected. This was the case in the 2016 calls, which disrupted many organisations planning for the period. Small administrative lapses can also be easily corrected, easing the overall application process. For example, in 2016 forms were published after the call was announced, reducing the valuable time to explore them. Additionally, some respondents note that a number of forms had errors and had to be replaced. For the reasons above, cultural organisations request better and earlier communication regarding the publication of the calls, including expected delays.

Taking the above as a whole, 54% of the respondents consider applying a worthwhile investment of their time, while 21% believes it's too burdensome given the current success rates and 25% remain undecided. It is concerning that only half of the respondents consider the programme as a worthwhile investment due to the application process.

Application: Strands

The survey asked to assess the changes introduced in the last cycle of the programme in relation to the different strands. In particular, in the last cooperation rounds the quota was smaller than previously. Yet, when asked if this influenced their decision to apply, 75% responded negatively.

Some respondents have doubts regarding the design and development of the platform's strand in relation to the goal of supporting emerging talent. The progression and career sustainability of new talent should be considered within the scope of the strand.

In the case of European networks, Creative Europe moved from operational funding to project funding. This has led to changes or adjustment of priorities for 60% of the respondents. As a result, some networks report tensions between the priorities of the programme and the needs of their members in some domains. To allow for a higher percentage of the budget (up to 20%) to be devoted to non-specified activities would ease such situation, while at the same time ensuring that networks can react to unforeseen events or relevant opportunities after the application. Alternatively, some respondents propose a mixed funding approach, combining operating funding and project grants, as this formula would adjust better to the realities of networks. Lastly, networks are concerned by the lower importance given to activities in comparison to operative and structural issues, such as reach or membership, in the application. 66% of the respondents would like to rebalance the points awarded to these different domains.

Literary translation projects encourage the translation and promotion of books awarded with the EU Prize for Literature. The sector's stakeholders report that it is difficult to convince publishing houses to acquire licenses based on prizes, rather than the sector's judgement of quality. Clarifying the policy rationale of the literary translation scheme is seen as important.

Application support

The Creative Europe Desk (CEDs) are seen as an integral part of the application procedure, with 70% of the respondents having reached to the CEDs for help and 67% finding their advice very useful. Although the level of support varies across member states, respondents feel that applications tips and the clear and precise information provided by the CEDs has had a substantial positive impact in their application. Respondents also believe that faster and better flow of information between EACEA and the CEDs would improve the capacity of the CEDs to respond to the needs of applicants.

Responses diverge regarding the possibility of granting greater scope for CEDs. In particular, their involvement during the implementation phase and in the final reports is seen by half of the respondents as positive and negative by 22%, while 26% does not have a clear position. Those favouring the option of greater involvement see advantages stemming from an enhanced capacity to guide participants, although they are aware this would require more human resources. Those against the proposal see the peril of conflict of interests and competition between national desks. A welcomed development would be a one-stop window gathering all information about EU programmes open to cultural organisations or with interest for the cultural sector, such the new strategy on external relations or the structural funds. This

would increase the efficiency of EU outreach and communication with the cultural sector through trusted partners.

The technical Helpdesk of EACEA was used by 44% of respondents in their application, with 64% being satisfied with their support. The majority praised the speed of responses, and some organisations have received very detailed support when confronting difficult technical questions. In contrast, IT issues emerge as a problematic area across a number of respondents (e.g. lack of compatibility).

Simplification

The Creative Europe programme attempted to solve some of the application problems and a simplification of the procedure was promised. The changes introduced are seen by 36% of the respondents as simplifying the application, but 40% believe it remains too complex and 24% do not know.

The transition from paper to e-forms and the simplification of the description of activities are seen positively, as well as the possibility to submit some documents after the deadline (e.g. audit). Regarding the latter, a number of responses hint to the fact that these documents need to be nevertheless, ready in advance as they need to be available upon request. Equally, the fact that a new form requesting to list the members for networks has been added, together with the duplication of information in excel and e-form, and the difficulties to estimate accurate statistics add additional challenges.

Suggestions for simplification

(open answers)

...simplify the financial planning form and create a special section for organisations with lower turnover...

...Fewer questions, especially in the e-form where the questions are quite similar to the ones in the description of activities...

...Replace the limits in terms of characters by limits in terms of pages/half pages/lines as reformatting and rewriting content to comply with the character count is very time-consuming. Ultimately, the core of the application is the content and there are alternative ways to ensure that the length is manageable...

...Do not ask for statistics in the application form but rather provide support to cultural operators during their project to increase their impact...

...More time for submitting the external audit in case a network or project is chosen...

...For Networks it would be useful to accept all formats when listing members rather than limiting the submission to an excel form...

...For Networks: Not duplicate questions between the PDF form and the detailed description of the project Word Form...

...Separating the information from project partners (for cooperation projects) into separate PDF-forms that you can attach, instead of collecting it all in one form...

...a real two step application, with clear guidance on the objectives to avoid saturation of evaluators and programme managers...

From the responses collected a real two-step application emerges as the most effective way forward to achieve substantial simplification, with 84% in favour of the measure. This option would allow a greater focus on content, which should be at the centre of the application. A careful exploration of such simplified process would be needed to avoid the pitfalls seen in H2020 and guarantee that the rate of access to the second stage is sufficient not to drive applicants away from the programme. If this option is to be taken forward, the first stage application must offer enough scope to convey the proposal's creative component rather than act as a further limitation and offer clear policy guidance not to overburden evaluators and administrators. Some respondents feel that those accessing the second stage should receive support to allow organisations with lower turnover to compete on equal terms.

Audits and guarantees

Under the Creative Europe Programme, applicants to grants above €750.000 have to run externalised audits although they have no certainty that they will be selected, and thus that the auditing charge will be covered by the programme. Introducing a two-step application would allow requiring audits only to those accessing the final stage. Audits are not problematic for 36% of the respondents that normally have such audits in-house but for 44% it implies and additional investment in time and resources without the security of accessing funding.

Audits to be included in the final financial statement are seen as a burden for 48% of the respondents, 2% considers them very burdensome and only 32% feel it does not represent a burden for their organisations, while the rest do not have a clear position. This is linked to the fact that auditing transnational programmes with multiple partners is extremely complex and hence, very costly.

In some cases, the EU asked for a bank guarantee to prove the financial stability of the organisations. While 41% of the respondents say that they are able to provide it, this

requirement causes considerable hardship for a number of participants. Often, stronger organisations need to provide such guarantee for partners and members and many encounter difficulties when approaching banks which do not guarantee non-profits if they do not own tangible assets, such as buildings.

Evaluation and transparency

Fairness and transparency are the bedrock of a public programme's reputation. For this reason, it's concerning that 44% of the respondents see the overall process as not transparent, 40% that do so and 16% that do not know.

Transparency: process and criteria

Suggestions to improve transparency include clearer selection criteria and their significance in the final decision, an option 79% would support. This would facilitate a better understanding of how points are awarded. Respondents note that comparison between evaluations has shown clear discrepancies regarding how different criteria are assessed. Some respondents argue that it would be helpful to understand the relation between negative issues raised by evaluators and the amount of points deduced from the possible maximum. Respondents acknowledge that the cultural and professional background of the experts will inevitably affect the evaluation. Yet, a clear benchmark that offers sufficiently detailed information in order to ensure that all criteria are understood by evaluators in the same way could help to minimise divergences. More training to align experts would be a welcomed step by the sector. Additionally, more detailed and faster feedback is also suggested as a way forward to improve transparency. 72% of the respondents would like to have the possibility of being invited in order to clarify details of the application, if necessary, as feedback suggests that many negative evaluations stem from misunderstandings by experts. There is a perception that this is especially acute when applications are submitted in a language other than English.

Qualitative evaluation of the level of complexity of EU programmes will always be a challenge, yet it is fundamental to advance in this domain. The cultural sector cannot be fully understood nor assessed through quantitative and structural criteria. Such approach does not capture the logics of operation of the sector, nor the value that culture provides. As such, 76% of respondents consider necessary to include more qualitative criteria in the evaluation of projects and only 4% are against the proposal. The remaining 20% do not have a clear view. Respondents understand that this is not an easy task. Qualitative evaluation may introduce bias and further complexity. However, qualitative evaluation is a field that should be developed with determination.

More transparency in the selection of experts is necessary according to 64% of the respondents. Greater transparency regarding expert's profile, field of expertise and experience

would be a welcomed step. This is not to be understood as a suggestion to make public the names of experts in advance, which would bring about additional problems such as the possibility to influence experts by applicants. However, once the selection has been carried out, disclosing the evaluator could provide the desired reassurance. An alternative solution would be to move towards collegiate decisions by a jury of qualified experts in each priority area, with a balanced representation in terms of geographical origin, gender and expertise. Lastly, some respondents point to the fact that after the evaluation is submitted by the experts to the Commission the process lacks transparency. Clarifying this last step is crucial.

Transparency: post-evaluation

Transparency could also be improved by clarifying the general themes of successful projects. This is supported by 67% of the respondents. A viable way to implement such proposal would be to build upon the already existing platform where successful projects are published. By publishing the number or details of the projects supported according to the programme's main guiding objectives a better understanding of the programme's balance of priorities would be available to applicants. However, some respondents regard this option as benefiting those organisations well established at a European level with capacity to adjust their programme and as an equally worrying device to steer priorities and limit participants' freedom to define their activities within the programme's scope.

Payment and finances

The majority (69%) of participants report a good financial health since the beginning of the programme, while a third (31%) of the organisations have suffered from financial problems. Not surprisingly, payment is one of the areas where 82% of respondents see substantial areas of improvement, with only 18% considering it adequate.

The pre-financing rates and the fact that all invoices have to be paid at the time of reporting implies that organisations either have reserves or are able to access loans or credit lines. Such situation is problematic for 65% of the organisations involved in the survey. As credit lines for NGOs and CSOs are difficult to obtain, serious and increasing cash-flow problems arise from the extended time span from the submission of report to the transfer of the last instalment, even affecting staff's salaries. As such, yearly transfers, reducing the transfer period or including a payment of 10% of the last instalment at the moment of report submission would substantially contribute to ameliorate the participant's financial sustainability.

Co-financing rates are perceived as feasible for 65% of the organisations, while for 35% they represent a struggle. For those who consider them feasible, this is often linked to alternative funding sources, mainly grants at a national level that are increasingly difficult to access and not equally available across Europe, creating a geographical imbalance. In many

cases, organisations are aware that many partners are not in a position to provide the level of co-financing required, limiting the scope of cooperation.

The exchange rate rule is problematic for 62% of the organisations' surveyed. Organisations recognise the improvement of changing from the final to the initial exchange rate. However, subcontractors often complain when exchange rates differ from those to be applied on the day. In this regard, some respondents consider that applying the exchange rate of the day of payment would simplify these tensions, adjust better to reality, protect organisations from unexpected changes and align project reporting with book-keeping.

There was an expectation that the new CCS Loan guarantee facility could be used to ease cash flow tensions. In fact, 73% of the respondents are aware of the programme. Yet, under the current design, respondents see limited applicability for the not-for-profit sector. In this regard, given the limited budget of Creative Europe and its low success-rate, increasing the financial appropriations devoted to the CCS loan guarantee facility should not be contemplated until its transversal value for the cultural sector has been demonstrated. Additionally, there are increasing concerns of high geographical imbalance.

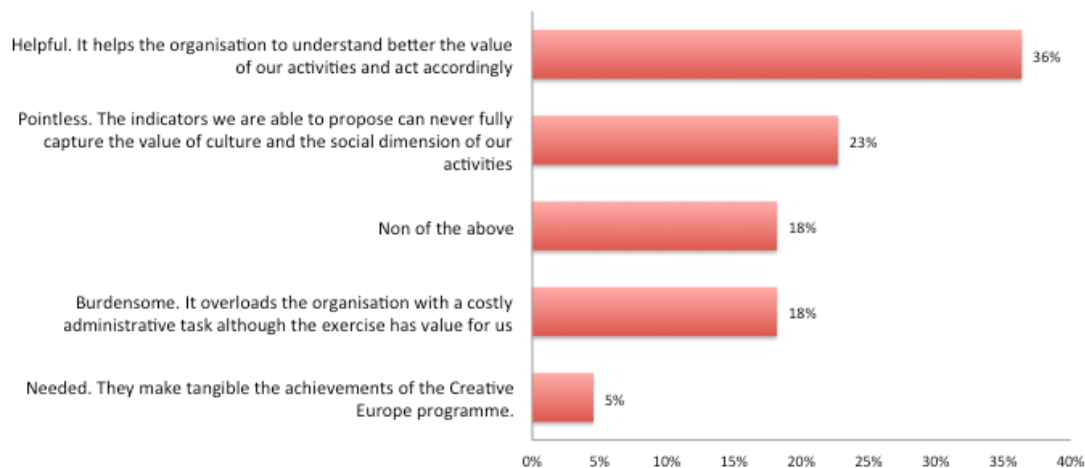
Communication with institutions

Respondents are satisfied (85%) with the quality of communication. In order to ameliorate the response rate and flow of communication, respondents ask for reinforcement of the CED and EACEA's support structures, as they are aware of the workload of officers.

Reporting

In addition to the month needed to prepare the application, organisations devote an average of 37.2 days to reporting obligations. Based on the responses, the programme requires around 2 months of full time work dedicated to comply with administrative work.

Taking in consideration the reporting obligations that will stem from the introduction in new requirements, such as indicators per activity and year in the 2016 network application, the reporting load could easily increase. However, indicators can be valuable both for funders and organisations if their definition is correct and data collection feasible, financially and in terms of human resources. Opinions regarding their added value diverge:



(open answers)

...It is a mix. It can be helpful for the organisations and is probably needed for funders, but it is burdensome and for some fields, indicators are difficult to establish ...

...It is understandable but difficult to provide...

... It is burdensome, yet valuable and pointless, as for some activities the full value can never be captured ...

... all the above options are true...

Nevertheless, respondents clearly favour more qualitative evidence (86%) when reporting on cultural activities and organisations' achievements, while 14% remain doubtful. The cultural sector is good at conveying meaning through stories. When asked about the option to use videos, personal testimonials and other forms of storytelling within structured evaluation frameworks, respondents find it appropriate due to the inherent strengths of the sector in this field. As such, data collected from testimonials or similar formats when compiled by an external evaluator is seen favourably. It should be clarified that qualitative evidence is not seen as replacing quantitative data. Respondents are also aware that research is needed to develop cost-effective qualitative evaluation frameworks. In this regard, the range of variables considered relevant to for the cultural sector include EU added value, artistic innovation, participation, sustainability, new cooperation, critical thinking, the creation of bonds between communities, learning and aesthetic experience and the degree of structural change over time in the professional development of the sector. When comparing the variables that the sector considers should be at the core of reporting against the Culture sub-programme indicators, considerable room for improvement emerges. Strong methodologies already exist in the domain of qualitative evaluation, yet they are time and resource intensive. The move towards a greater use of qualitative evidence and sound assessment of impact should be coupled with

resources to make these evaluations feasible and methodologically sound. Public administrations have a crucial role to play in developing cost-effective frameworks in consultation with the sector.

Reporting: simplification

Respondents find considerable scope for simplification and stress that advancing in the simplification of reporting is necessary given the heavy burden that it poses on cultural organisations.

Participants value positively continuity in reporting templates as it facilitates the reporting task. Following this line, some respondents suggest to repeat questions included in the interim report in the final report, where they would only need to be expanded. Suggestions for improvement include the elimination of indicators (statistics) that are not meaningful or a substantial simplification targeted to few but relevant areas of impact. In this regard, participants ask for a narrowing of the scope of the report limited to results that are relevant to the aims of the cultural activities and the organisation, instead of merely listing activities. Linked to the prior, the capacity to develop a more open, flexible, narrative and readable report is seen as a better way to capture the project's real contribution.

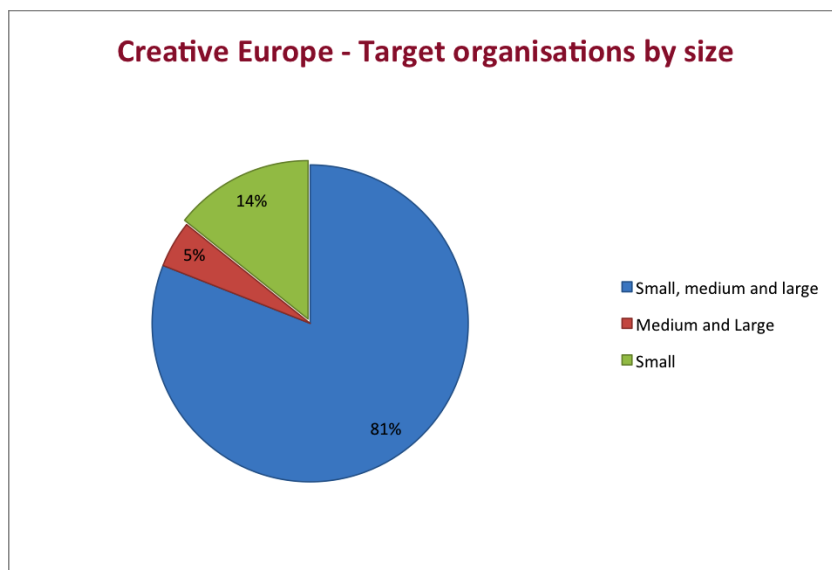
The detail of financial reporting required is also considered as major burden for organisations. It is suggested that expenses should only be listed above a certain cost level, avoiding in this way the lengthy process of listing minor costs, such as metro tickets. The auditor will ensure that those costs are reflected in the books, guaranteeing that public money is correctly spent. Additionally, separating expenses per category (e.g. staff travel, speaker travel, speakers from 3rd countries) is a heavy process and a simplified alternative would be welcomed.

Creative Europe post 2020

This section takes a focus on structural issues and priorities. Recommendations regarding the application process, reporting, and technical details are based on the assessment of how Creative Europe is currently implemented covered in the previous sections.

Future beneficiaries

Looking forward, there is a clear consensus on the need to facilitate the access of micro and small organisations in the next cycle of Creative Europe, without disregarding larger organisations and cooperative structures. In order to have a fair level playing field, respondents encourage the creation of two different approaches in each strand; one for large and medium organisations and one for micro and small with the corresponding adaptation in terms of application, selection and overall processes.

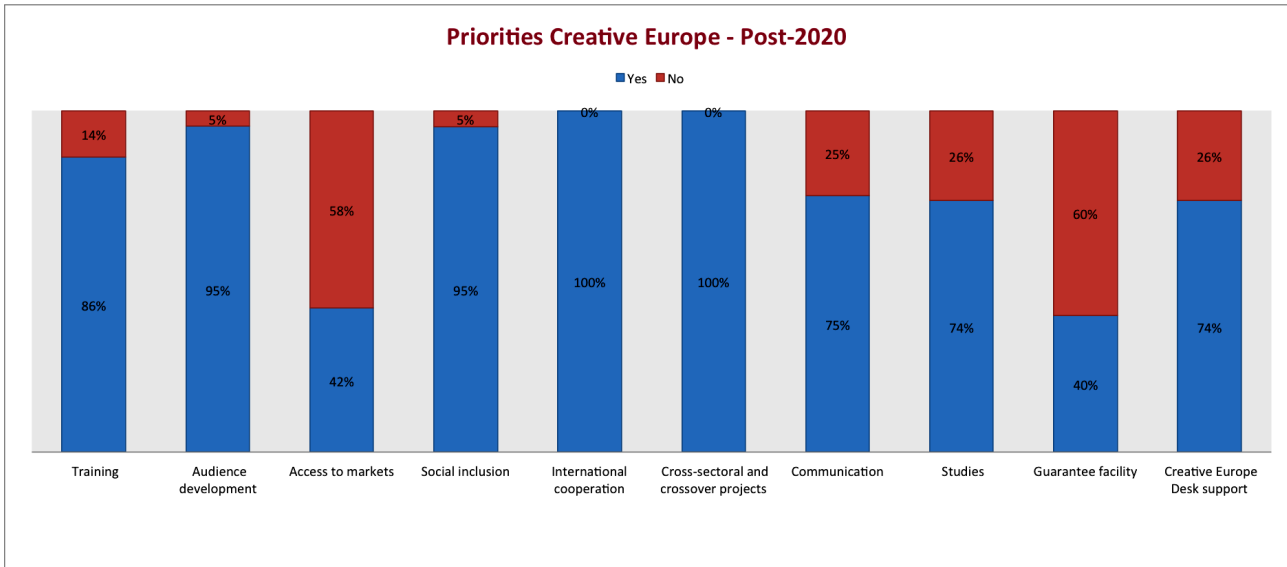


Future priorities

In relation to priorities, there is a split between those that think that the current balance of priorities is sufficient to address the needs of the sector (40%) and those that don't (40%), while 20% do not have a clear view.

Priorities: current vs future

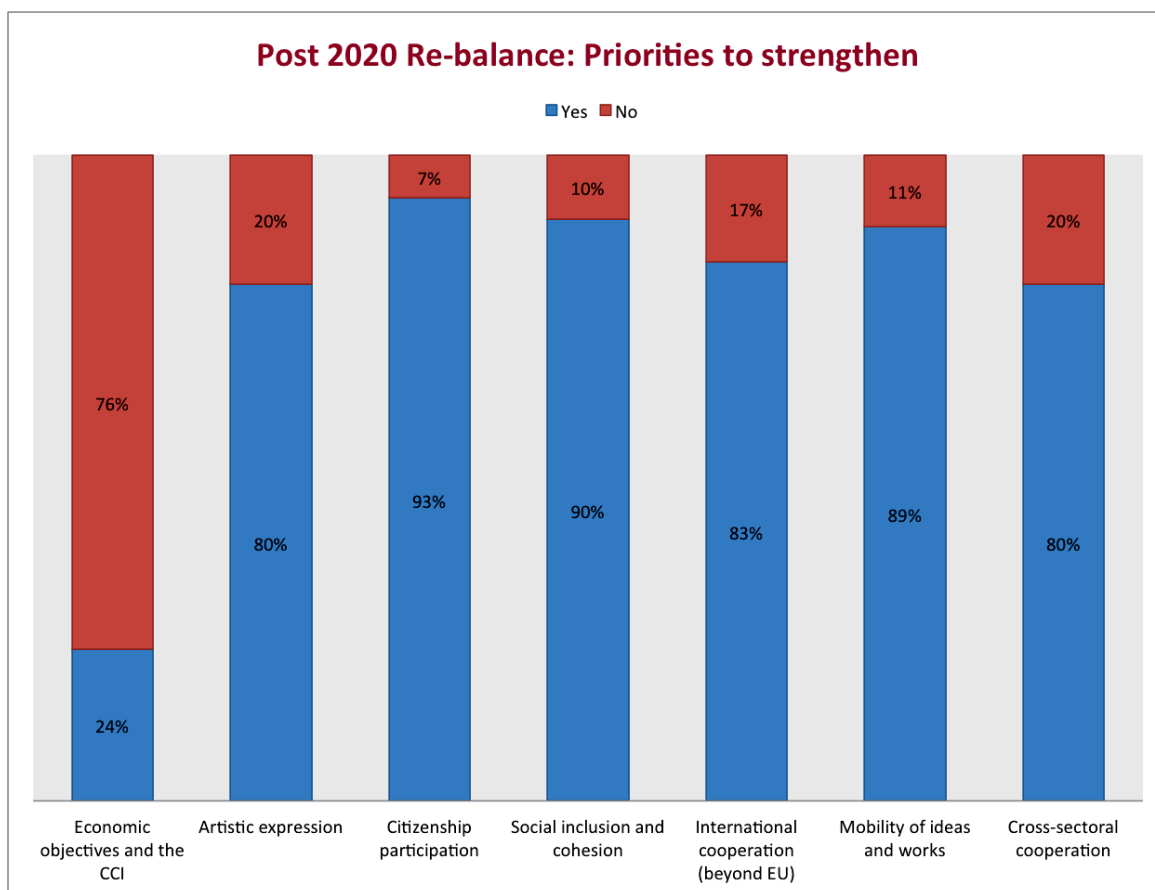
Looking into the future, respondents have assessed the aims they believe should be leading the programme and the priorities for the Culture sub-programme in the next cycle in relation to the key areas identified by the European Parliament in their implementation report and those that conform the current Creative Europe programme.



A clear mismatch appears in terms of the emphasis placed in the Guarantee Facility and access to markets and the priorities the sector feels Creative Europe should support in the cycle ahead. It is felt that cross-sectoral and crossover projects, international cooperation, audience development and social inclusion should be the driving priorities. The stress placed on cross-sectoral and crossover projects reflects the dynamic nature of the cultural sector, and the hybridisations across genres, mediums, formats and sectors. It includes the desire and need to reach out to the scientific and technological communities to take full advantage of the digital shift. Yet, it must be stressed that the current direction of the cross-sectoral strand of the Creative Europe programme is not fit to address projects of such nature, often innovative and hence, with a high risk associated. The loan guarantee facility will have difficulties in supporting cross-sectoral innovation due to its market-driven nature. These priorities are closely followed by training, research, communication and support for the CEDs that are also considered as relevant for the sector.

Future priorities: re-balance

When asked to identify which priorities should be considered in the next Creative Europe programme to reach a better balance, citizen's participation emerges as the key domain, together with social inclusion and cohesion. Such focus is the result of the current socio-political developments at a national and European level together with the limited scope that the programme currently allows in those areas. In contrast, economic development and the promotion of the Creative Industries are not seen as areas in need of reinforcement if balance is to be achieved.



Future Priorities: future challenges, needs not covered and transversal reach

Open questions' responses add new priority domains falling outside of the remit programme. Among them, sustainable development, equality, freedom of expression and cultural rights are seen as areas in need of development, within and beyond Creative Europe. These refer to rising societal concerns that did not yet surfaced in all its urgency during the prior design phase of the current programme.

In accordance with the paragraph 4 of Article 167 of the Lisbon Treaty, the Union should take cultural aspects into account in its action. The provision converges with the increasing transversal approach to culture taken by the sector. For example, education for and through culture emerges as an important priority not sufficiently addressed by European programmes. Proposals include a dedicated ERASMUS + line on lifelong arts education for artists and educators. This would ease current gaps in artists' mobility through for example, creative residences. Equally relevant is facilitating the inclusion to the labour market of young graduates through residences in artistic organisations and enterprises. Education is not solely understood within the boundaries of the sector. For example, the engagement of the cultural sector in the delivery of the key competences of the 2020 education framework is also suggested as an area where culture has a clear role to play. Within this context, the EU identified 'cultural awareness', and 'creativity' as part of the transversal competences in need of reinforcement. These could be certainly advanced by involving a sector that is, at its core, defined by them. In this respect,

maximising policy coherence across policy fields is a needed step. Research shows that early cultural and artistic education is fundamental for future audience development, yet education and culture remain disconnected policy fields.

The younger generation is being raised in a full digital environment. Accompanying the cultural sector in building capacity and adapting to the digital economy will be necessary. This includes, but also goes beyond, current approaches such as start-up incubators, debt-finance and private investment. Public cultural institutions are also in need of digital adaptation. New public spaces where the younger generation can enter into contact with artistic practices and trust relations can flourish are also seen as important. In this regard, social and artistic hubs that make use of open technological innovation are seen as part of the territorial development needed to confront the challenges that a globalised economy poses.

More space for transversal research is needed to tackle the societal and cultural challenges derived from the multiple transitions that we are facing, from the digital shift to sustainability or the impact of hyper-diversity at a local, regional and supra-national level. The promotion of the inclusion of artists in Horizon 2020 projects, such as the STARTS programme, is highlighted as an example of synergies across policy domains. However, it is noted that such hybrid programmes should be based on a true collaboration across sectors, where the growth, development and enrichment of cultural participants is also taken in consideration. In this regard, H2020 and Creative Europe is signalled as offering scope for complementarity in order to support sincere collaborations.

One relevant issue organisations in the sector feel the Commission should tackle is the increasingly strained working conditions of artists and cultural practitioners. Despite the potential of the Creative Industries to generate inclusive jobs, the reality of the sector is one of precarity and unequal access to the profession for artists with diverse backgrounds, as well as of enduring gender disparities. Data available is limited to some member states and future policy development would benefit from clearer data regarding artists' livelihoods, and the socio-economic background of creative practitioners. Better data on equality as regarded in EU law², building upon the new European handbook on Equality Data, will be one of the defining issues of the coming years. Enhancing the statistical Eurostat data pool is important, in particular the Structural Business Statistics (SBS), as it currently does not cover key NACE codes for the sector³. Acknowledging the reliance on Member States to obtain better data, the cultural sector encourages the Commission to insist on the importance to contribute to more and better harmonised data that can drive informed cultural policy development.

²EU directive 2000/43/EC on the implementation of the principle of equal treatment between persons irrespective of racial or ethnic origin, EU directive 2000/78/EC on the establishment of a general framework for equal treatment, EU directive 2006/54/EC on the implementation of the principle of equal opportunity and equal treatment of men and women in matters of employment and occupation, and EU directive 2004/113/EC on the implementation of the principle of equal treatment between men and women in the access to and supply of goods and services.

³ 'Creative, arts and entertainment activities' (R90) and 'Libraries, archives, museums and other cultural activities' (R91).

Future structure and budget

There is a clear consensus on the need to guarantee that any future structure presents a balanced approach where economic, social, artistic and cultural values can be ensured within the Culture sub-programme. This balanced logic should also be reflected in the cross-sector strand, which tends to privilege market-driven approaches. It is emphasised that any new inclusion should be accompanied with a corresponding budget increase.

Preliminary discussions at the Commission point towards a possible future structure for the post-2020 cycle reframing the programme as 'Creativity and Culture'. This would add, for example, other sectoral focuses such as tourism as a dimension of heritage protection. 60% of respondents feel this could be a positive development, while 40% reject it as a way forward. The sector would only support the proposal if the budget is considerably increased. This stems from the fact that 83% of respondents consider the actual budget as insufficient, as shown by the low and decreasing success rate only 15%⁴. As such, without a considerable budget increase the programme risks losing its potential for EU impact.

⁴ [EP Report on the implementation of Creative Europe, Feb. 2017.](#)