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COMMUNICATION FROM THE COMMISSION

**Making citizenship Work: fostering European culture and diversity through
programmes for Youth, Culture, Audiovisual and Civic Participation**

(presented by the Commission)

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Executive Summary

The Commission Communication of 10 February “*Building our common Future: Policy challenges and Budgetary means of the Enlarged Union 2007-2013*”, proposed developing **European citizenship** as a main priority for EU action, on the basis of an area of freedom, justice and security. This included the need to make citizenship a reality by *fostering European culture and diversity*, covering areas directly involving European citizens with the integration process, i.e. Youth, Culture, the Audiovisual sector and Civic Participation.

The existing programmes in these areas will all end in 2006 and, in the light of the above-mentioned Communication as well as the results of public consultations and recent evaluation reports, the Commission will later this year adopt legislative proposals for a new generation of programmes for these areas for the next programming period (except for Civic Participation, which will be tabled in early 2005 on the basis of an initial appraisal of the new programme in this area launched in 2004 and of the outcome of the European constitutional debate). The purpose of the present Communication is to indicate the content of these proposals and the rationale behind them.

The coming decade will greatly increase the diversity of the Union. With the accession of 10 new Member States on 1 May 2004, it will undergo the most significant enlargement in its history. By 2007 the total population of the Union will approach 500 million, representing an immense richness of cultural, social and linguistic diversity. Moreover, our societies are undergoing major demographic change resulting in an ageing and shrinking working-age population and sustained immigration flows. In such a context, the shared values that hold our societies together, such as freedom, fairness, tolerance and solidarity, become more important than ever.

European citizens must therefore be given the chance of direct, personal experience of what European citizenship and these values mean in practice – be it through participation in dialogue with the institutions, through citizen and youth exchanges, or participation in cross-border projects. Fostering the mobility of citizens, artists, cultural and audiovisual works and events, gives European citizens the possibility of encountering the common elements in their *developing* European identity, an identity which complements those – national, regional, ethnic, religious – that citizens already have.

Through mobility actions, the European Voluntary Service and actions to improve the quality of support structures for young people, the new **YOUTH** programme will promote the active participation of young persons in civic society, promote the values of tolerance and solidarity amongst young people and promote intercultural dialogue. It will cover also certain third countries as well as Member States.

In line with the requirements of Article 151 TEC and the principle of subsidiarity, the new **Culture** programme will contribute to the flourishing of shared European cultural values on the basis of cultural co-operation between artists, cultural operators and cultural institutions. It will focus on the promotion of multilateral European co-operation and allowing a bottom-up development of a European identity through the interaction of its citizens.

Given the high cultural and social impact of the **audiovisual** media, this sector offers a unique platform for intercultural dialogue and for promoting mutual knowledge and understanding. The new EU programme in this area should therefore aim at creating conditions which allow Europeans to watch stories, dramas, documentaries and other works that reflect the reality of their own lives and histories, as well as those of their neighbours.

1. INTRODUCTION

In its Communication of 10 February entitled “*Building our common Future: Policy challenges and Budgetary means of the Enlarged Union 2007-2013*”¹, the Commission proposes as one of the main priorities for EU action developing **European citizenship**, on the basis of an area of freedom, justice, security, and respect for and promotion of fundamental rights, and *fostering European culture and diversity*. Promoting European culture and diversity contributes to making European citizenship a reality through encouraging direct involvement of European citizens in the integration process, i.e. Youth, Culture, the Audiovisual sector and civic participation. The Commission is simultaneously tabling a Communication on the new generation of education and training programmes after 2006 which will contribute to achieving the objective of sustainable development².

In this context, the Commission also underlined the importance of using the revision of legal instruments which occurs around 2007 to create a significant movement towards greater simplicity in the conception and in the operation of Community instruments. Each of the successors to the existing programmes is planned to be streamlined as much as possible, while respecting the obligations arising out of the Financial Regulation. Serious consideration was given to the possibility of merging all citizenship programmes into one single framework programme. So far, there is however no evidence that such an approach would result in greater simplification. Each of the above-mentioned fields is covered by a different article of the Treaty and governed by specific decision-making and management rules. Moreover, although all programmes have a strong citizenship dimension, their scope is different, as illustrated, for instance, by the specificities of the existing audiovisual programmes. However, efforts should be made, where appropriate, to make these rules as coherent as possible with one another.

The Commission regards the streamlining approach mapped out in the present communication as an important step towards simpler programmes, but certainly not the end of the road. The Commission is interested in receiving suggestions on how the new generation of programmes and their operation could be simplified and, where possible, further concentrated, and will seek to include these in its draft proposals. These may imply amendments to the Community’s Financial Regulation or its Implementing Rules, for example; but no possible avenue should be excluded at this stage.

¹ COM (2004) 101 of 10.02.2004. Building our common Future: Policy challenges and Budgetary means of the Enlarged Union 2007-2013

² COM (2004) 156 of 09.03.2004. The new Generation of Community Education and Training programmes after 2006

The existing Community programmes in the fields of Youth, Culture, Audiovisual and Civic Participation will all come to an end in 2006³. In the light of the Communication on future policies and budgetary means and the results of public consultation and recent Interim Evaluation Reports⁴, the Commission will later this year adopt legislative proposals for a new generation of programmes in the fields of Youth, Culture and Audiovisual for the next programming period. A legislative proposal on civic participation will be tabled in early 2005 on the basis of an initial appraisal of the new programme in this area launched in 2004 and of the outcome of the European constitutional debate.

The purpose of the present Communication is to indicate the content of these proposals and the rationale behind them, as well as a general outline of how these policy proposals could be implemented in a more simplified and streamlined way, taking into account the current legal and administrative context. However, nothing in this Communication prejudices the final content of the legislative proposals to be adopted by the Commission, including their financial aspects, and as stated, the Commission remains committed to examining further ways of simplifying and rationalising the implementation of these proposals.

2. FOSTERING EUROPEAN CULTURE AND DIVERSITY IN AN ENLARGED UNION

Citizenship of the Union was established by the Maastricht Treaty, which inserted the current Article 17 into the Treaty establishing the European Community. It specifies that citizenship of the Union shall complement and not replace national citizenship.

According to the Preamble of the Charter of Fundamental Rights of the Union, *“the Union is founded on the indivisible, universal values of human dignity, freedom, equality and solidarity; it is based on the principles of democracy and the rule of law. It places the individual at the heart of its activities, by establishing the citizenship of the Union [...]. The Union contributes to the preservation and to the development of these common values while respecting the diversity of the cultures and traditions of the peoples of Europe as well as the national identities of the Member States”*.

The growing importance of citizenship in the European order and the values it is based upon has been mirrored by an equal growth in importance at Union level of education, youth and cultural policies. The Maastricht Treaty granted the Community competence for the first time in the areas of education and training, youth and culture (now laid down in Articles 149, 150 and 151 of the Treaty Establishing the European Community). The draft Constitutional Treaty would, if adopted, confirm these competences while removing the unanimity condition for decisions in the field of culture. It would add encouraging the participation of young people in democratic life in Europe to the tasks of the Union. It could also launch the idea of mobilising young Europeans in actions of international solidarity. Finally, given the social and educational function of sport, it would add this area to the domain covered by the present article on Education (Article 149).

On the basis of the above-mentioned Treaty Articles, the Community has adopted and successfully implemented major programmes in the fields of education, vocational training, youth

³ Subject to adoption of the Commission’s proposal to extend the Culture 2000 programme by 2 years (COM (2003) 187 final of 16.4.03) and adoption of the Commission’s proposals to extend the MEDIA Plus and MEDIA Training programmes by 1 year (COM(2003) 191 final (Media Plus) and COM(2003) 188 final (Media Training) both of 16.4.03)

⁴ COM (2003) 725 final of 24.11.03 (MEDIA), COM (2003) 722 final of 24.11.03 (Culture), and COM (2004) 158 of 8.03.04 document in written procedure.

and culture. Together with the Media programme (adopted on the basis of Article 157 - qualified majority since the Nice Treaty), these programmes have all contributed and continue to contribute to upholding and disseminating the shared values that form the foundation for the political construct of citizenship at the European level, as attested by the Interim Reports on the current generation of programmes. They have allowed millions of citizens to directly experience the benefits of European integration. The proven relevance of these programmes justifies their renewal after 2006. There are, however, further reasons for pursuing and developing such programmes.

The coming decade will greatly increase the diversity of the Union. With the accession of 10 new Member States on 1 May 2004, it will undergo the most significant enlargement in its history. Further accessions are foreseen, and it is the objective of the EU to welcome Bulgaria and Romania as members in 2007, if they are ready. Already at that stage, the total population of the Union will approach 500 million, representing an immense richness of cultural, social and linguistic diversity.

Moreover, our societies are undergoing major demographic change. As the Commission stated in its Communication of 3 June 2003 on immigration, integration and employment: “in the context of an ageing and shrinking working-age population, more sustained immigration flows, without solving all the effects of demographic change, are increasingly likely and necessary to fill the needs of the EU labour market”⁵. In such a context, the shared values that hold our societies together, such as freedom, fairness, tolerance and solidarity, become more important than ever. The 2003 Communication therefore called for a holistic integration policy, including issues such as language skills and the social and cultural environment.

These developments make it more necessary than ever that Europe’s citizens have an opportunity to experience a feeling of *belonging* to the Union and are able to identify with it. The reality is that many citizens experience the Union as merely a distant and remote political and economic entity - as may be reflected in the low turnouts for European elections (49% in 1999). Recent opinion polls show falling levels of support for European Union membership⁶. The notion of European citizenship must therefore be given concrete meaning through direct, personal interaction – be it through participation in dialogue with the institutions, through citizen and youth exchanges, or participation in cross-border projects. By fostering the mobility of citizens, artists, cultural and audiovisual works and events, European citizens can take advantage not only of the opportunities offered by their rich and diverse cultural heritage but also of common elements in their *developing* European identity, an identity which complements those – national, regional, ethnic, religious - that citizens already have.

3. ACTION IN THE FIELD OF YOUTH

3.1. Justification for EU action

The Youth programme⁷ (2000-2006) is one of the main Community instruments capable of meeting the challenges outlined above. It is an instrument for mobility and education targeting young people between 15 and 25 and socio-educational workers in the European Union and third countries. The programme gives effect to Article 149(2) of the Treaty, which stipulates that

⁵ COM (2003) 336 final of 3.6.2003 on immigration, integration and employment.

⁶ Eurobarometer Nr. 60, Autumn 2003

⁷ Decision No 1031/2000/EC, of 1304.2000, OJ L 117/1 of 18.5.2000

Community action is to aim at “*encouraging the development of youth exchanges and exchanges of socio-educational instructors*”.

The Commission presented the Member States with a political strategy for promoting active engagement of young people in Europe. The White Paper on “A fresh impetus for European youth” presented by the Commission in November 2001⁸ proposes that activities in the field of youth should focus on participation, information, voluntary work and a greater understanding of young people. These priorities were supported by the European Parliament⁹ and adopted by the Council of Ministers in the Resolution of 27 June 2002, instituting an open coordination method governing these priorities, which is currently being implemented by the Commission and Member States.

After enlargement, there will be 60 million young people between 15 and 25 in the EU for whom Europe will be a place where they are free to live, work, study or travel. However, young people are less committed to the traditional structures of political and social activity than in the past. This does not mean that they are not interested in public life. Most of them express a desire to participate but in novel ways. It is important to create conditions in which young Europeans can make their presence felt more keenly as citizens with a sense of solidarity and responsibility who are active and tolerant members of a multi-cultural society. Increased involvement of young people in local, regional, national and European communities and fostering active engagement are major challenges for our societies both now and in the future.

Youth policy also contributes to preparing Europe for the transition to a competitive and dynamic knowledge-based economy, especially in respect of lifelong learning, by giving young people the opportunity to enhance their education and training in a less formal way than within the framework of the educational or vocational training systems.

A key aspect of citizenship for young people is respect for others both within and outside the Union and makes a not inconsiderable contribution to the people-to-people aspect of the Union’s external relations. In this context, youth activities have a part to play in an enlarged Europe’s policy *vis-à-vis* its neighbours.

3.2. Results of the Interim Evaluation and Public Consultation

The very wide public consultation exercise launched in the context of the preparation of the new generation of programmes on education, training and youth¹⁰ revealed high expectations on the part of young people and youth organisations, and also on the part of national authorities and social NGOs, of the new European instruments offering the opportunity to create a stronger sense of citizenship amongst young people. This approach also won unequivocal support from the European Parliament.

The interim evaluation of the Youth programme covering the period 2000-2003 analysed the way the programme was implemented, made operational recommendations and also identified a number of issues relating to the importance of action by the European Union to promote European citizenship amongst young people.

The interim evaluation confirms that the aims of programme and its strands, namely youth exchange schemes, the European Voluntary Service and youth initiatives, are valid. It also

⁸ COM (2001) 681

⁹ Report of 19 April 2002 on the White Paper (A5-0126/2002)

¹⁰ http://europa.eu.int/comm/youth/index_en.html

underlines the impact that the programme has on young people and socio-educational workers. In particular, it shows that young people participating in the programme acquire new personal, social, intercultural and vocational skills, which can have a major and even crucial impact on those who have done European voluntary service, and whose life or career choices have been strongly influenced by this positive experience.

The interim evaluation identifies certain implementation problems related chiefly to management (simplifying procedures, improving assistance to beneficiaries, reinforcing consistency of implementation from one Member State to another) and makes recommendations, some of which will be implemented during the remainder of the programme.

There were other, more ambitious, recommendations which the current legal basis does not permit. Now that the Voluntary Service has become established, one of the new avenues of development which should be looked at is how it could complement civil services and international solidarity activities. The various activities which, at present, contribute to mobility and exchanges of young people should also focus on measures aimed directly at promoting participation and active engagement amongst young people, including support to NGOs, and therefore contribute more to meeting the priorities on youth. Increasing the programme's geographical scope and developing cooperation with third countries should also become a more important strand of the programme. Finally, depending on the type of measure, the programme's potential could be boosted if it targeted the age group of 13 to 30.

3.3. Aims post-2006

The new European instrument for young people should be informed both by the public consultation and the current evaluation of the programme to ensure continuity and make it run more smoothly, and the Union's new aspirations in terms of citizenship which are set out in the Communication on the new financial perspectives and are already being put into practice by the open method of coordination on youth.

3.3.1. The objectives of the new programme

This new instrument will primarily aim to promote experiences of European citizenship by young people by offering them ways and means to make it more concrete through various forms of active engagement, at European level as well as at national and local levels. It should also seek to promote solidarity between young people, inter alia, in order to strengthen social cohesion in the Union and to promote mutual understanding of peoples through youth. It should also promote the sense of initiative, the creativity and the entrepreneurial spirit of young people and to make it possible for them to acquire the competences essential to their personal and professional development. Finally, it should contribute to developing the quality of support systems for youth activities and the ability of youth organisations to foster youth activities and to promote European cooperation on youth policy. The avowed aim is to maximise the impact of Community action at national, regional and local levels whilst fully abiding by the principle of subsidiarity. In order to achieve these aims, the programme will have five separate and mutually complementary strands.

3.3.2. The actions proposed

"Youth for Europe" will mainly be geared to reinforcing active engagement of young people by supporting exchanges, mobility and initiatives for young people and their projects and activities for participating in democratic life.

"European Voluntary Service" will be geared to developing solidarity and promoting active engagement and mutual understanding among young people. It will be possible for individual and collective projects to be run to enable young people to express their personal commitments but also to involve them in the Union's solidarity actions. Furthermore, this will also enable cooperation between voluntary civil services to be fostered.

"Youth of the world" should contribute to developing mutual understanding through an open-minded approach to the world, whilst also contributing to active engagement of young people. It will open up the programme to cooperation with the neighbouring countries of enlarged Europe, reinforcing the programme's links with the acceding countries, the countries of the Western Balkans and the EFTA countries, and with other third countries.

"Socio-educational instructors and support systems" will aim to develop the quality of support structures for young people. This new instrument, although primarily aimed at young people, will also develop action in favour of all people who are engaged in youth work. It will help to support youth organisations active at European level and continue support for NGOs under budget heading 15.07.01.02 (previously A3029). It will also support the European Youth Forum, an organisation which pursues aims in the general European interest. It will also develop exchange, training and information schemes for social and educational workers, projects to stimulate innovation and quality and partnerships with regional or local entities and, finally, measures to enhance and support the programme's structures.

"Support for political cooperation" is aimed at promoting cooperation on youth policy, mainly by supporting measures conducive to a structured dialogue between young people and the people responsible for youth policy, cooperation with international organisations with responsibilities for youth and support of measures promoting a greater understanding of youth.

3.3.3. Increased simplification

The future programme will be further simplified compared to the present situation. The new legal base will cover all the activities currently being implemented through two separate legal bases (the Youth programme and the Community action programme to promote bodies active at European level in the field of youth). The current four budget lines will be replaced by a single one. Moreover, given that the new programme will promote cooperation in the field of youth, the general structure of the legal base will be sufficiently open and provide a flexibility clause, making it possible to adapt the programme to new emerging priorities. Finally, the management of the future programme will mainly be carried out in a decentralised way, which echoes one of the demands expressed by youth stakeholders during the consultation.

3.3.4. Community value added

These activities have considerable European added value because, individually, the Member States cannot organise mobility for young people across Europe, multilateral exchanges involving groups of young people from various Member States and third countries or a European Voluntary Service. These measures must complement those pursued by the Member States. The leverage effect of such a programme has also been proven since it helps to steer and sometimes shape national policy measures.

The future programme should not be isolated from other Community activities. It must be possible to build bridges between programmes of different types, irrespective of whether they are in the field of culture, sport, training, education, and justice and home affairs, and to support

cooperation programmes with third countries. This programme will thus complement other Community instruments.

The programme will be implemented with the principle of subsidiarity being applied in full, mainly by largely decentralising management at Member State level and providing opportunities for complementing Member State initiatives at national, regional and local level.

3.4. Anticipated impact of the new programme

The new programme should achieve the following aims:

- implement 40 000 projects for young people (exchanges, youth initiatives and participation projects) for 2007-2013;
- European Voluntary Service: 10 000 volunteers a year, i.e. 70 000 for 2007-2013;
- training, information and exchange of good practice for socio-educational instructors (to enhance quality): 5 000 projects for 2007-2013.

4. ACTIONS IN THE FIELD OF CULTURE

4.1. Justification for EU Action

Article 151.1 TEC is worded as follows:

The Community shall contribute to the flowering of the cultures of the Member States, while respecting their national and regional diversity and at the same time bringing the common cultural heritage to the fore.

The draft Constitutional Treaty retains precisely this wording, but adds that one of the objectives of the Union shall be to “*ensure that Europe’s cultural heritage is safeguarded and enhanced.*” (Article 3.3).

In compliance with this legal base and the principle of subsidiarity, the main goal of Community action is to contribute to the flourishing of shared European cultural values on the basis of cultural co-operation between artists, cultural operators and cultural institutions¹¹. Community action therefore focuses on the promotion of multilateral European co-operation, barely touched upon through national or bilateral cultural policies.

Article 151.3 TEC also states that “the Community and the Member States shall foster cooperation with third countries” in the sphere of culture. In the context of globalisation and enlargement of the European Union, it is particularly important that the Community cultural programme supports cultural exchanges and cooperation with third countries - with a particular but not exclusive emphasis on the countries which are covered by the new neighbourhood policy.

The essential added value of cultural action at Community level is its contribution in terms of intercultural dialogue, raising awareness of a common European heritage, awareness of the

¹¹ This has recently been reaffirmed by the Council, which considers “*that it is essential to encourage co-operation and cultural exchanges in order to respect and promote the diversity of cultures in Europe and to improve their knowledge of one another*”. Council Resolution of 21 January 2002 on the role of culture in the development of the European Union, Official Journal C 032 , 05/02/2002 p.2

diversity and richness of European cultures and increasing openness towards other cultures. In doing so, it contributes to the bottom-up development of a dynamic European identity, because it evolves in response to developments such as immigration and migration. This, however, entails an active and assertive cultural action on the part of the Union, able to draw on sufficient means.

4.2. Results of Interim Evaluation and Public Consultation

Thanks to the Culture 2000 programme, hundreds of books have been translated, facilitating the circulation of contemporary authors' works, and thousands of cultural organisations from various European countries - theatres, museums, professional associations, research centres, universities, cultural institutes, public authorities, etc. - have worked together to create and implement cultural and artistic projects. An independent evaluation¹² of the Culture 2000 programme¹³, which runs until the end of 2006¹⁴, was carried out during 2003. Together with a wide-ranging consultation on future EU action in the cultural sector¹⁵, it concluded that the "Culture 2000" programme was necessary in order to implement Article 151 of the Treaty, that the overall approach was sound and that it created cultural as well as European added value.

A number of the current programme's central aims derive naturally from the Treaty and will clearly remain essential to the next programme, particularly the contribution to the flowering of the cultures of the Member States while respecting their national and regional diversity, and the highlighting of the common heritage. However, both the evaluation and the consultation revealed some shortcomings in the programme, for example the fact that the programme has too many different objectives, especially given the limited budget allocated to it.

European citizens are of course the ultimate target group of all EU actions in the field of culture. However, the European institutions need intermediaries in order to reach those citizens and to offer high quality cultural actions with a European dimension. Supporting cultural operators and intermediaries in their endeavours to work together beyond national boundaries is clearly a task that falls to the Union. The Commission has been working closely with these intermediaries and operators in an attempt to better understand their needs and the difficulties they are confronted with. This thorough consultation process has enabled the Commission to identify three main needs:

- The need for enhanced financial support, especially in the long-term

Increased Community support for multilateral co-operation projects is particularly needed, as Member States tend to prioritise national or bilateral projects. Longer-term financial support is also necessary in order to develop sustainable co-operation projects. Operating support for European networks or associations also has an important added value.

- The need for more information on issues related to cultural co-operation and increased exchange of good practices

¹² See footnote 3. See also Report of the European Commission on the implementation of the «Culture 2000» Programme in the years 2000 and 2001. COM (2003) 722 final

¹³ Decision 508/2000/EC of 14 February 2000 establishing the Culture 2000 Programme. OJ L 63 of 10.3.2000, p. 1

¹⁴ See footnote 1

¹⁵ Forum on Cultural co-operation (European Commission - November 2001); Designing the future programme of cultural cooperation for the European Union after 2006: Public consultation (May-July 2003)

There is a real need for more up-to-date and practical information on cultural co-operation. Better dissemination of good practices would have real added value. The lack of research concerning cultural co-operation in Europe is a particular handicap.

- The need for a more flexible, more focused and more visible Community programme

Operators expressed the fact that the division into different cultural sectors or activities of the programme “Culture 2000” was a constraint for them, as some multidisciplinary projects do not fall neatly into pre-determined categories.

4.3. EU action post 2006

The Commission intends to propose a programme that will focus on the three main objectives identified by the Parliament, the Council and the cultural sector itself, namely:

- the transnational mobility of people working in the cultural sector;
- the transnational circulation of works of art (including immaterial works, such as music);
- intercultural dialogue.

Projects supported by the programme should be of sufficient scope and ensure maximum added value at European level. Each activity supported by the programme will therefore have to combine at least two of these policy goals. Three strands of action are envisaged:

4.3.1. *First strand: direct support for cultural co-operation projects*

The funding of multilateral co-operation projects of all kinds and formats is essential as it supports concrete actions that are highly visible to citizens. In this context, the new programme will fund projects developed by cultural co-operation focal points (**CCFP**), cultural co-operation actions and special actions. **CCFP** will gather operators from one or more sectors to develop **multi-annual** cultural actions. For example, support will be given to CCFP for initiating artistic projects involving operators from different countries. Festivals and theatres, dance companies and concert organisations will be able to work together beyond their traditional boundaries on a structured and long-lasting basis.

In order to complement the multi-annual support to CCFP, grants will be allocated to annual **Cultural co-operation actions** with high cultural and European added value. These projects, developed by European cultural operators from one or more sectors, will promote innovation and creativity. Projects aiming at exploring new ways of co-operation with a view to developing them in a longer term will be encouraged. Such actions can have a direct and positive effect on many different categories of people. For example, support will be given to co-operation actions aimed at facilitating the transnational circulation of artists and works of art or to projects targeting people with disabilities or bringing so-called minority cultures to the fore.

Substantial in scale and scope, the **special actions** should strike a significant chord with the citizens, increasing their sense of belonging to the Union as well as making them aware of its cultural diversity. They will also give more visibility to EU cultural intervention both inside and outside the EU. A well known example would be the European Capitals of Culture, which have become a very successful initiative in terms of impact and visibility to the citizens of Europe.

4.3.2. Second strand: support for European cultural co-operation organisations

Direct support to co-operation projects must be completed with a more structural intervention in favour of co-operation, going beyond a mere project-oriented approach. That is the reason why the successor programme of Culture 2000 should help cover the operating costs of cultural organisations whose work is in the European interest or who act as « ambassadors » of European culture in the world. These entities are key players in the emergence of a common European cultural area but generally do not receive funding from national authorities. Action by the Union brings clear added value here.

These networks encourage exchanges between cultural organisations in different European countries, identify the needs of the European artistic community, act as an interface between the sector and the European institutions and disseminate useful and reliable information on the sector. They associate — all disciplines taken together — several tens of thousands of culture professionals in Europe.

4.3.3. Third strand: support for studies and information on cultural co-operation issues

Accessible, up-to-date information on legal, fiscal and administrative issues related to European co-operation or on potential co-operation partners will enable cultural operators and decision-makers to base their decisions on solid grounds. Better knowledge will facilitate the emergence of new co-operation projects. In particular, support will be given to the development of a web-based tool to assist the development of transnational cultural co-operation.

4.4. Simplification

As a comprehensive and coherent tool in favour of cultural co-operation, the new Culture Programme is also planned to contribute significantly to creating more simplicity in Community instruments, both in legal and management terms. The legislative decision (including the annex) will be written with the objective of concision, simplicity and flexibility. The new Culture programme will consist of one legal base as opposed to the current two, and of one budget line compared to the current five. The programme will also be more user-friendly. It will be open to all cultural and artistic fields, without predetermined categories, and to a greater variety of cultural operators, ranging from national or local administrations to networks and cultural sector companies.

4.5. Targets and expected impacts of the new programme

The new programme will actively contribute to the bottom-up development of a European identity, by giving cultural operators and citizens more opportunities to create networks, to implement projects, to be more mobile and to enhance the cultural dialogue within Europe and with other parts of the world. In order to reach these goals, a critical mass must be reached. The programme will contain precise targets in terms of cultural outputs, covering both the number of actions undertaken and the number of people affected. This should include:

- around 1400 cultural co-operation projects over the period 2007-2013, including 80 multi-annual cultural co-operation focal points;
- each year, around 50 networks or organisations of European interest;
- a series of targeted studies, together with actions for collating statistics and disseminating information.

The overall result will be hundreds of European cultural operators working together each year on a transnational basis and reaching millions of citizens.

5. ACTIONS IN THE AUDIOVISUAL SECTOR

5.1. Justification for EU action

The social and cultural impact of the audiovisual sector exceeds that of any other medium. This impact is its defining feature and is evident from the role of television alone. Household penetration of television sets in Europe is of the order of 98% and the average European watches more than three hours of television a day. For children the figure is even higher.

The audiovisual media play a fundamental role in the development and transmission of social values. The audiovisual sector has a major influence on what citizens know, believe and feel and plays a crucial role in the transmission, development and even construction of cultural identities. This is true above all with regard to children and young people. An increased circulation of films and other audiovisual works has also proved to be an important means of strengthening intercultural dialogue.

It is essentially for this reason that the European Community has implemented a specific policy for the audiovisual sector since 1989. Article 151.2 of the TEC states that action by the Community shall be aimed at supporting and supplementing the action of the Member States in the area of artistic and literary creation, *including in the audiovisual sector*. This wording is retained in the draft Constitutional Treaty. Alongside a single market for television broadcasting through the “Television Without Frontiers” Directive, the EU has taken measures to promote the European audiovisual industry¹⁶ which is a unique tool for the exchange of ideas. If an enlarging and ever more diverse Union is to flourish, there must be an interaction between the public opinions of its Member States, and an exchange of knowledge across borders on social and cultural matters needs to emerge.

The audiovisual sector has a huge cultural impact, but cannot realize its creative potential without reinforcing its competitiveness. The average share of European audiovisual works in European markets ranges between 40% and 45% for TV fiction, and is around 30% for the cinema and 20% for video and DVD. This European market share consists mostly of audiovisual works sold in their national home markets: the part of the European market share consisting of works selling outside their national markets (non-national) is considerably smaller (usually less than one-third of the European total market share)¹⁷.

EU intervention in the audiovisual sector is therefore part of a strategy to give Europeans a choice. Unless Europeans are able to watch stories, dramas, documentaries and other works that reflect the reality of their own lives and histories, as well as those of their neighbours, they will cease to recognise and understand them fully. And in order for such works to be readily available and of sufficient quality, the acquisition and improvement of skills of professionals, the development of audiovisual projects with an European dimension and the circulation and

¹⁶ Council Directive of 3 October 1989 on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the pursuit of television broadcasting activities (89/552/EEC) as amended by Directive 97/36/EC of the European Parliament and of the Council of 30 June 1997

¹⁷ Commission estimates based on European Audiovisual Observatory statistics. (See <http://www.obs.coe.int/> and in particular <http://www.obs.coe.int/about/oea/pr/mif2003.html.en>). The estimates cover: broadcasting time for TV fiction; theatre admissions for cinema; sales and renting for video cassette and DVD

promotion of works must be supported by the EU, whilst production support schemes should be left to the Member States.

Finally, EU action needs to be put in the context of enlargement and globalisation. In this respect it is also important that countries such as EU candidates, the Balkans and those involved in the European Neighbourhood Policy should have the maximum possible engagement with EU programmes in this area.

5.2. Results of Interim Evaluation and Public Consultation

Community support measures in favour of the European audiovisual industry currently take the form of the MEDIA Plus and MEDIA Training Programmes, due to end in 2006¹⁸. The mid-term evaluation of the current MEDIA Programmes and the Preparatory action “i2i Audiovisual: Growth and Audiovisual”¹⁹ confirmed that the programme has had a positive effect on the distribution of European works on the European and international markets. It has also generated more co-operation among European operators, thereby providing European added value for the sector.

Community intervention operates in line with changing needs (newcomers, funding, consolidation of the industrial base, international expansion), which are increasingly at the heart of the challenges faced by European professionals. The preparatory action I2I for the SMEs has been effective in contributing to the construction of financial plans for the companies. Community action has had an added value for the sector. In respect of training, the results have shown the need for intervention at Community level to increase the level of professional know-how and skills within the European audiovisual sector. In the Development sector, the impact on SMEs active in the sector has been positive, also in terms of enabling them to formulate better business plans. It has guaranteed reinvestments in new productions.

The challenge for the Community with regards to designing a new action for the audiovisual industry lies in overcoming the obstacles that prevent European audiovisual works from circulating outside their own territories and in overcoming the fragmentation of markets. Only by acquiring the necessary skills to develop films and other audiovisual works with a European dimension, and by distributing, promoting (at festivals and markets) and broadcasting more audiovisual works from European countries will the European audiovisual industry make it possible for millions of Europeans to view works reflecting their cultures and those of their neighbours.

In view of the preparation of MEDIA 2007, a single programme to replace the two current ones, the Commission consulted widely on the sector’s needs. The results show a need for further Community action to respond to emerging needs, namely the need for the acquisition of skills for the creation of films and other audiovisual works with a European dimension, together with the need to address an insufficient circulation of non-national audiovisual works within the European Union, a situation that is even more acute in the acceding countries where the audiovisual industry has virtually disappeared at a time when shared cultural references are vital.

MEDIA 2007 should continue to target its actions on the pre and post-production phases, but these actions will change in the light of technological (mainly digital) and market evolution. The European audiovisual sector is mainly made up of small and medium sized enterprises (SMEs).

¹⁸ See footnote 1.

¹⁹ See footnote 3

MEDIA 2007 should therefore aim to create an environment adapted in particular to SMEs facilitating the creation and circulation of non-national audiovisual works. In addition, MEDIA 2007 should include innovative actions for facilitating access to financing for SMEs.

5.3. EU Action post 2006

MEDIA 2007 will have as global objectives to:

- Preserve and enhance European cultural diversity and audiovisual heritage and promote inter-cultural dialogue and understanding;
- Increase the circulation of European audiovisual works inside and outside the European Union;
- Strengthen the competitiveness of the European audiovisual sector in the framework of an open and competitive market.

It will have the following operational objectives and actions.

5.3.1. Pre-production

- Acquiring skills and competence:

The programme will support projects aimed at improving the creative, management, and entrepreneurial skills of European audiovisual professionals and/or at adapting their technical skills to digital technologies. This will include mobility measures for film school students. It will aim to encourage a European dimension in promoting networking of professionals as well as individual projects. Finally it will promote a European strategy regarding co-operation of professionals, both for co-productions and the elaboration of business plans.

In addition, special scholarships for professionals from the new Member States will be established, to help them meet the challenges of the European market and help narrow the gap between countries with high production capacities and those with low production capacities and/or restricted linguistic areas.

- Development:

The programme will support independent SMEs in the documentary, animation and drama genres as well as in multimedia. It will encourage companies to elaborate international promotion and marketing strategies for their projects from the pre-production phase. The programme will also assist companies in elaborating sound financial plans and facilitate access to credit for independent SMEs. Indirect costs associated with the private funding of production projects presented by SMEs (such as financial and insurance costs or completion guarantees) may also be covered.

The programme will also provide grants to independent production companies for the development of single projects. It will support the development of a catalogue of works both for companies with a limited investment capacity and for companies with higher investment capacity. Support will be provided for the development of sound financial plans related to the works and the catalogue of works.

A holistic approach to the creation of works, for example incorporating from the outset essential components such as distribution and the film music will be encouraged.

5.3.2. *Post-production*

– Distribution:

Community action will concentrate its efforts on transnational distribution support, in line with the principle of subsidiarity and as a complementary approach to Member State support mechanisms. Support for the distribution phase (cinema, TV, video, DVD and on-line) raises the competitiveness of the industry by assisting it to take advantage of the single market.

The new programme will strengthen the European distribution sector by encouraging investment in production, acquisition, marketing and promotion of non-national European works and by encouraging co-ordinated marketing strategies between the different actors (distributors, sales agents, producers, exhibitors...). It will improve the circulation of European non-national films by encouraging their export, distribution and cinema exhibition. Furthermore, it will promote the transnational circulation of audiovisual works by independent production companies. It will cover the distribution of derived works with high artistic content (such as film music).

The programme will build on the results achieved through the actions set up under the MEDIA Plus Programme, namely the automatic scheme and the selective scheme for distributors as well as groupings of distributors. In addition it will support distribution companies for catalogues of works with lower commercial potential, with a view to promoting cultural diversity.

Co-ordination between producers, distributors and sales agents will be promoted by supporting the creation of promotional packages for European audiovisual works.

Action will be implemented to support the digitisation of European audiovisual works. In particular an automatic scheme for the creation of digital prints of European non-national films will be put in place. Support will also be granted for dubbing, subtitling and multilingual copies as a means of enhancing cultural diversity. Finally, support to digital exhibition will be foreseen in terms of facilitating access to financing for investments in digital equipment.

– Promotion:

Film and television festivals are a highly effective means of promoting European works. The programme will therefore support the promotion of European audiovisual works through these professional markets. It will support co-operation and co-ordination by European operators in order to encourage a European promotion strategy. Finally the programme will ensure that festivals play a full role in the formulation of cultural policy and in audience education.

The actions foreseen include ensuring access for professionals to European and International audiovisual markets; guaranteeing the broadest possible access of the European and international public to Europe's diverse cultures; encouraging common actions between national promotion organisations as well as promoting the European audiovisual heritage.

– Pilot Projects/Digital technology

Innovation is vital to ensure the widest choice for the audience at the end of the audiovisual value chain. In this respect, the pilot projects have proved to be a successful test bed. Whilst certain of the areas previously covered have now been introduced into the programme, this "test laboratory" remains vital. The new programme will focus on those areas considered by the sector as likely to be influenced by the use of new information and communication technologies. The results of the pilot projects will be publicised widely in order to encourage the dissemination of best practices.

5.4. Simplification

The new programme for support to the European audiovisual sector also contributes significantly to the aim of simplification of Community instruments.

The integration of the two current MEDIA programmes into a single programme reflects the needs of the sector and notably the heterogeneous nature of the European markets, in socio-economic, financial, and regulatory terms. It also meets the need for simplification and integration of the different components of the European audiovisual value chain.

Furthermore, the management of the programme will be simpler from a Commission point of view. The programme is also planned to be made more user-friendly in terms of rules and procedures, thereby echoing the results of the public consultation. Specific simplifications could be envisaged, including in the context of the Financial Regulation, such as: (i) making the verification of the financial capacity of the applicant proportional to the amount of the subsidy requested; (ii) introducing a clause on the proportionality of the financial and administrative rules compared to the size of the grant and/or capacity, for example as regards reporting requirements.

5.5. Targets and expected impact of the new programme

The new programme will have a series of precise targets in terms of cultural outputs, covering both the number of actions undertaken and citizens affected. These targets should include the following:

- Action to bring together 1500 audiovisual operators each year, with the potential to reach reaching several millions of citizens;
- Increase the market share of European films distributed outside their country of origin from the current 11% to 20% in 2013²⁰;
- Double the number of screens exhibiting European non national films, with particular attention to a young audience;
- Enable 40 European film academies to co-operate for the improvement of skill and the exchanges of know-how at European level;
- Double the number of audiovisual projects supported, with particular attention to co-productions;
- Double the number of European distribution campaigns.

6. CIVIC PARTICIPATION

The European Commission has for many years been managing different actions aimed at fostering civic participation in particular at the transnational level. In order to meet the requirements of the new Financial Regulation²¹, these actions have been brought together in a

²⁰ Refers to non-national European share of the EU market. North American films currently occupy some 70% of the market. Film revenue is directly proportional to the number of viewers.

²¹ The Financial Regulation applicable to the general budget of the European Communities: Council Regulation (EC, Euratom) No 1605/2002 of 25.06.2002. This now requires all Community expenditure to have a legal base. The new programme provides this for the actions concerned.

new programme²² adopted on 26 January 2004. The actions contained in the programme have proved their added value at European level as well as their effectiveness in meeting the specific needs of citizens engaged in civil society organisations (mostly on a voluntary and honorary basis). They are directly geared towards civil society, widely accepted by citizens and offer good value for money. Town twinning, for example, allows hundreds of thousands of citizens every year from different countries to meet and learn about each other's culture, history and socio-economic reality.

The objectives of the programme are to promote the values and objectives of the Union, to bring citizens closer to the EU and its institutions and to encourage them to engage more frequently with its institutions, to involve citizens closely in reflection and discussion on the future of Europe, to intensify links between citizens from different Member States and to stimulate active citizenship.

In addition to European umbrella organisations the programme is oriented towards non-governmental organisations, associations and federations of European interest or cross-industry trade unions, including grassroots and local community organisations. Support may also be granted to bodies pursuing an aim of general European interest in the field of active European citizenship, including “think tanks”.

Article 46 of the draft Constitutional Treaty on participatory democracy underpins these objectives. It provides, *inter alia*, that the institutions of the Union should give citizens and representative associations the opportunity to exchange views in all areas of Union action. The Union institutions should also maintain an open, transparent and regular dialogue with representative associations and civil society.

The civic participation programme which has just been launched will end with the current financial perspectives at the end of 2006, but in the light of the challenges outlined in this paper, it is clear that further action will be needed. However, it would be premature at this stage to outline specific proposals for a post-2006 programme. A legislative proposal will be tabled in early 2005 on the basis of an initial appraisal of the new programme and of the outcome of the European constitutional debate.

7. CONCLUSIONS

The Commission is of the view that the proposals outlined here are a necessary contribution to ensuring the successful development of the Union in the next programming period and beyond. In particular, they are necessary to ensure that there are opportunities to experience what citizenship of the Union is about in practice.

The Commission will therefore put these forward in the summer of this year as part of the package of legislative proposals to implement the political project outlined in its Communication “*Building our common Future: Policy challenges and Budgetary means of the Enlarged Union 2007-2013*”.

²² OJ L 30 of 4.2.2004, p. 6. Community Action Programme to promote active European citizenship (civic participation).