European Parliament <u>Creative Europe</u> 2021-2027 Implementation Report

Culture Action Europe Recommendations

(Following the network's wide consultation in March-April 2023)

Culture Action Europe is the major European network of cultural networks, organisations, artists, activists, academics, and policymakers.





INTRODUCTION

2023 kicks off the mid-term review of the EU's Multiannual Financial Framework (MFF), the bloc's seven-year budget. Looking at the new cycle for Creative Europe, the EU's only dedicated programme to cultural cooperation, the substantial increase of the financial envelope by more than 50% is a central development compared to the past, which must be acknowledged.

However, next to this important improvement, which responded to the steady calls coming from the cultural and the creative sectors, many features of the programme, which were copied from Horizon Europe, still create excessive burdens and prevent the widest participation possible in Creative Europe especially among micro and small organisations, ultimately undermining upholding cultural diversity in Europe. First and foremost, the budget, which still remains too little of an envelope for an overly subscribed programme.

Culture Action Europe, the major European cross-sectoral cultural network, has gathered inputs, reactions, and remarks from its wider membership, in view to contribute to the stakeholders' consultation organized by the CULT Committee on 13 April 2023.

We call on the European Parliament to integrate these concerns in the upcoming Implementation Report of Creative Europe 2021-2027, as well as to improve the next programme in light of them.



1) The Application Process

- The application process is not simplified at all compared to the previous programme. It lacks consistency, as it contains more steps and asks for the same or very similar information in different parts of the process, often creating more confusion and risking losing the bigger picture.
- The platform is not user-friendly, with applicants themselves asked to carefully identify questions which do not apply to them, and the IT Help Desk is not always able to support applicants.
- It seems that the use of the Horizon application model had not been thought through before the process was launched for Creative Europe, which is addressed to an altogether different applicant group.
- There is a low level of information and guidance in relation to the open circulation of the deliverables (e.g., restricted, public, and so on).
- With the application process becoming increasingly time consuming, the cost of preparation of applications should be retroactively allowed in the proposed budget.
- As the programme has been facing a growing number of applications over the years, success rates have decreased tremendously. Having the application process in two steps could be an option to ease the pressure (e.g., concept note first and full application form only for those bids passing the first selection stage).
- From a very technical perspective, it discriminates against users without Microsoft applications.

2) The Reporting System

• As said for the application phase, the design of the Horizon reporting system (which has been extended to CE projects) does not necessarily fit Creative Europe projects.

• The platform is outdated and not user-friendly.

• Some parts of the technical report are irrelevant for funded networks, but the system needs them to be answered nonetheless, resulting in additional chaos.

• There has not been any proper introduction/kick-off meeting with a demonstration of the reporting process way before the first report.

• As GDPR (general data protection) rules are key in this new reporting system, there should be a capacity-building moment to explain how to prepare GDPR-compliant deliverables.

• It is highly questionable that the Commission obliges funded projects to collect data regarding the identification of attendees of events as binary or non-binary. There should be the possibility to choose options such as "don't want to say/unknown".

• The communication with dedicated project officers at EACEA tends to be responsive – however, it is not clear who had the last say when it comes to different interpretations of the requirements.

• Validating deliverables tend to take much time.



• Not having to submit a financial report is a major simplification for the beneficiaries – however, it is not clear who will judge on which basis which percentage of a Work Package has been fulfilled and what quota of funding will be given in the end.

• There has not been enough clarification on the distinction between 'dissemination' and 'communication' activities.

3) Accessibility

• The increase of the co-funding for small cooperation projects made a significant difference, giving smaller organisations a better chance to apply. At the same time, it still creates an unbalanced situation, as all organisations which are part of a cooperation project consortium need to contribute the co-funding percentage (e.g., 20% in case it is a small project). A bigger organization cannot offer to co-fund more, paying for the smaller partners, which is a feature to be reconsidered in the implementation and in the future programme. As a result of it, indeed, smaller organisations normally submit smaller budgets and ask for less funding for their part.

• A complicated and time-consuming application system is not contributing to simplifying the participation of small-sized NGO organisations, especially coming from regional contexts with limited resources (e.g., Eastern Europe, Western Balkans)

• The programme should do more to include artists and cultural professionals with disabilities.

4) Budget

Given the fact it is an extremely oversubscribed programme, the budget of the next generation of Creative Europe must be substantially increased.

In view of the high inflation rates and energy costs, the possibility should be given to increase the 7% ceiling of indirect costs to 15%.

• The frontloading of budget in the 2021-2027 cycle, first imagined to tackle the fallout of the pandemic in the first years of the programme, has produced, however, negative externalities. Having constantly decreasing annual budgets for the second half of the programme will cause further issues for the cultural and creative sectors at large, especially since new issues have risen, including still exceptionally high inflations and energy costs that create constraints for the cultural players and affect organisations' operations.

• Creative Europe networks should be, at least partly, funded through structural (and not project-driven) support, given into account their fundamental role of bridge between the EU and the sectors at large.

• The funding gaps remain an issue for organisations waiting for the instalments.

5) Future of Creative Europe

• The maximum funding for cooperation projects needs to be raised, at least for small calls, which has not been until now indexed to inflation.

• The (in)ability of the programme to respond to emergency situations (e.g., the Ukraine dedicated cooperation call) must be considered, and these situations must be dealt with by other



budget envelopes, either from external action or humanitarian aid, with a dedicated funding line for emergencies.

• Instead of the "Annual Work Programme", the implementation should be based on a 2-year Work Programme. (This is already the case with Horizon Europe). This would limit the funding gaps, improve the transparency and accessibility of the programme.

• The Commission should make sure that provisional calls are published before the end of the current programme, even if the legal framework is not ready yet.

• The principle of better working conditions in the cultural and creative sectors should become a central pillar of Creative Europe, with less deliverables taking into a greater account the green transition, diversity, inclusion.

Allowing one partner from a third 'non Creative Europe' country to benefit from the EU funding would be a major gesture towards third countries and largely welcomed by cultural operators from these countries, while contributing to the EU objectives in the field of external cultural relations.

6) Specificities of the Network Grant

• The project funding model should be reconsidered towards more structural funding, as the type of cooperation between networks and the Commission often goes beyond the normal beneficiary/funder interaction.

7) Specificities of the Platform Scheme

• Like with all schemes allowing cascading grants or support to third parties, there is a lack of transparency, since the information on the platform members are not available via the Commission.

• The scheme is about supporting emerging talents and building careers in and beyond Europe. However, this latter profile seemed neglected by the Commission, going against one of the very key features of the call.

8) Specificities of the Cooperation Projects

• As mentioned before under Accessibility, all organisations which are part of a cooperation consortium are asked to contribute the given co-funding percentage. A derogatory internal distribution of such rate is not taken into account, meaning that a bigger organisation cannot offer to co-fund more on behalf of the smaller partners. This concretely undermines a meaningful participation of smaller and micro entities. The Commission should let each project consortium choose how they want to distribute funding among partners, as long as the co-funding rate applies at the project level.

• In view of the rising inflation, the funding for small-scale cooperation projects should be raised.

9) Additional Comments

• The cascading grants systems must be improved, especially when it is about big projects and transparency is at stake, with information on the final grant recipient not visible to the public.



• For the CULTURE Strand a general EU logo is used, instead of a specific programme logo like it happens with the MEDIA Strand, meaning that the former has less visibility than the latter. This results also in the fact that MEDIA has its own different communication strategy.

• Culture Moves Europe proves to be working well. There is no scheme like it, however, for mobility of larger groups, such as orchestra and choirs.

• The Commission should consider the need to develop specific info sessions and capacity building workshops in less represented countries, regions and contexts.

• The Commission should consider the development of a pan-European guarantee scheme to cover for insurance costs related to the mobility of artworks and artefacts. These costs can usually be quite substantial for numerous cultural centres, while many countries do not offer such schemes. A feasibility study on this could represent a first step for such a long term project.