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PROPOSAL

From: Secretary-General of the European Commission,
signed by Mr Jordi AYET PUIGARNAU, Director

date of receipt: 18 August 2020

To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council
of the European Union

No. Cion doc.: COM(2020) 384 final

Subject: Proposal for a DECISION OF THE EUROPEAN PARLIAMENT AND OF
THE COUNCIL Amending Decision No 445/2014/EU establishing a
Union action for the European Capitals of Culture for the years 2020 to
2033

Delegations will find attached document COM(2020) 384 final.

Encl.: COM(2020) 384 final



Brussels, 18.8.2020
COM(2020) 384 final

2020/0179 (COD)

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**Amending Decision No 445/2014/EU establishing a Union action for the European
Capitals of Culture for the years 2020 to 2033**

(Text with EEA relevance)

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

The “European Capitals of Culture” (ECOC) action is governed by Decision No 445/2014/EU¹ for the titles 2020 to 2033. In its Annex, the Decision includes a chronological list indicating when each Member State (two per year) or a candidate country/potential candidate participating in the Creative Europe Programme or in the subsequent Union programmes supporting culture, is entitled to host the action. Competitions for the award of the ECOC title start six years before the year of the title with the publication of calls for applications by the relevant authority.

Decision (EU) 2017/1545² extended the action to cities from European Free Trade Association countries that are parties to the Agreement on the European Economic Area and participate in the Creative Europe Programme or in the subsequent Union programmes supporting culture. The calendar annexed to Decision No 445/2014/EU was accordingly replaced by the calendar annexed to Decision (EU) 2017/1545.

The general and specific objectives of the ECOC action are described in Article 2 of Decision No 445/2014/EU. These are: safeguarding and promoting the diversity of cultures in Europe, fostering the contribution of culture to the long-term development of cities, enhancing the range, diversity and European dimension of the cultural offering in cities, including through transnational cooperation, widening access to and participation in culture, strengthening the capacity of the cultural sector and its links with other sectors, raising the international profile of cities through culture.

The attainment of these objectives, which is linked to mobility, travel, organisation of events and public participation is severely compromised by the COVID-19 pandemic, which has had serious implications on the delivery and preparation of current and upcoming ECOC.

Decision No 445/2014/EU does not provide for the necessary flexibility to take into account such extraordinary circumstances.

Ensuring delivery of the objectives of the ECOC action under these circumstances would therefore require changes to Decision No 445/2014/EU. These changes should not deviate from the original principles, rules and procedures of the Decision but be limited to what is strictly necessary to deal with this unprecedented situation.

The most affected ECOC are obviously those that should now be delivering their year (the two ECOC 2020) or should be accelerating their preparatory work to be ready on time next year (the three ECOC 2021). The two ECOC 2022 and the one ECOC 2023 are much less impacted as they have still enough time ahead of them to think thoroughly about how to adjust their programmes to take account of different restricting scenarios in the future.

Both ECOC 2020 have had to postpone or cancel all events since March 2020 without any clarity when the situation will come back to normality. In practice, they are prevented from

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

² Decision (EU) 2017/1545 of the European Parliament and of the Council of 13 September 2017 amending Decision No 445/2014/EU establishing a Union action for the European Capitals of Culture for the years 2020 to 2033 (OJ L 237, 15.9.2017, p. 1).

implementing their ECOC year and capitalizing on their good preparatory work. A possible prolongation of the ECOC 2020 cultural programmes into 2021 – though it would not compensate the two cities for the enormous loss they are suffering – would shed an increased rebranded light on the activities of both ECOC 2020 in the early months of 2021. It would also benefit them with the spotlight associated with the ECOC brand for a longer period.

Furthermore, COVID-19 has resulted in a high a level of uncertainty in nearly all areas associated with the ECOC 2021 year in terms of insecure financing perspectives from public and private partners, unknown safety regulations affecting both participatory work with citizens and event types to be authorised, as well as travel restrictions reducing tourism flows and possibilities of European/international partnerships. The preventive measures have slowed down the preparatory work of the three ECOC 2021 to a critical point, when they should, under normal circumstances, double efforts. Delivery teams were in lockdown for a few months and the economic survival of potential contracting partners is uncertain. A postponement of the three ECOC 2021 into 2022 or 2023 is therefore recommended.

Following the UK's withdrawal from the Union, only one city is scheduled to hold the ECOC title in 2023. Postponing two of the three ECOC 2021 to 2023 would be more balanced: there would be three ECOC in 2022 and three ECOC in 2023. Such a balanced approach would maximise the visibility of the ECOC action.

To accommodate for the circumstances described above, namely give the possibility to the two ECOC 2020 to prolong their cultural programmes into 2021 and postpone the years in which the ECOC 2021 countries will be able to host the title, it is necessary to amend Decision No 445/2014/EU.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

• Legal basis

This proposal amends Decision No 445/2014/EU establishing a Union action for the European Capitals of Culture for the years 2020 to 2033 and is therefore based on the same legal base, Article 167(5) TFUE.

• Subsidiarity (for non-exclusive competence)

As Decision No 445/2014/EU is a legal act of the Union, it can only be amended by way of an equivalent legal act. Member States cannot act individually.

• Proportionality

The proposed amendments are suitable to address the extraordinary situation created in ECOC 2020 and 2021 by creating more favourable conditions for them to deliver their cultural programmes and activities in a way that will ensure the attainment of the objectives of the action.

The proposed amendments do not go beyond what is necessary to achieve the above aim, as they are limited to changes concerning the years 2020 and 2021, when the impact of the pandemic is expected to be the highest.

• Choice of the instrument

Decision No 445/2014/EU of the European Parliament and of the Council is a legal act of the Union and can only be amended by a legal act of the same type.

3. RESULTS OF STAKEHOLDER CONSULTATIONS

Since the outbreak of the COVID-19 pandemic, the Commission has been in close contact and dialogue with the delivery teams of all ECOC 2020 to 2023 in various individual, bilateral and collective settings with the view to better understanding the impact of the pandemic on the delivery and preparation of current and upcoming European Capitals of Culture. The delivery teams have also liaised with their respective Boards as well as with their local, regional and national authorities in order to explore with them the best venues for moving forward. The Commission has also been contacted directly by some national authorities (Ireland, Romania, Greece, Lithuania, Luxembourg, Hungary and Serbia).

More particularly, four joint online meetings were arranged over the period: on 2 April, joint teleconference with the two ECOC 2020 and representatives from the Irish and Croatian Culture Ministries; on 29 April, joint online meeting with the two ECOC 2022; on 30 April, joint online meeting with the three ECOC 2021; and on 5 May, joint online meeting with the eight ECOC 2020-2023.

On invitation from the Commission, each ECOC 2020, 2021, 2022 and 2023 sent the Commission a letter (most of them co-signed by their respective Culture Ministry/Minister) to express whether they were willing to prolong/postpone the cultural programme of their title-year and give solid justification for their position.

The following paragraphs give an overview of the outcome of this consultation process.

The two ECOC 2020 are the most severely and directly hit. Both had to postpone or cancel all events since March 2020 without any clarity when (and whether) the situation will come back to normality. In practice, they are prevented from implementing their ECOC year and capitalising on the huge investment made. Both ECOC delivery teams have had to lay off staff and are in semi-hibernation mode.

In the three ECOC 2021, the pandemic results in a very high a level of uncertainty in nearly all areas associated with their preparation: insecure financing perspectives from public and private partners, unknown future safety regulations affecting both participatory work and event types to be authorised, as well as travel restrictions reducing tourism flows and possibilities of European/international partnerships. The preventive measures have slowed down the preparatory work of the three ECOC 2021 to a critical point, when they should, under normal circumstances, double efforts, due to the fact that delivery teams were in lockdown while the economic survival of potential contracting partners is uncertain.

The two ECOC 2022 and the one ECOC 2023 are much less impacted as they have still enough time ahead to think thoroughly about how to adjust their programmes to take account of different restricting scenarios in the future.

In conclusion, it appears that the ECOC 2020 to 2023 are not affected in the same way by the pandemic.

The most affected are obviously those ECOC that should now be delivering their year (the two ECOC 2020) or should be accelerating their preparatory work to be ready on time next year (the three ECOC 2021).

It is also worth noting that the ECOC of a same year may be affected to various degrees because confinement measures were not the same across Europe, because the resilience of the

cultural sector and the financial capacity of their local, regional and national authorities are not the same and/or because they had not reached the same level of development in their preparation when they were hit by the pandemic, resulting in some being caught at a moment when they had to move very fast.

4. BUDGETARY IMPLICATIONS

The Commission's proposal has no direct budgetary implication. The pecuniary Melina Mercouri Prize paid to each designated city by the end of March of the year of the title under conditions specified in Article 14 of the Decision and the costs associated with the work of those members of the expert panel designated by Union institutions and bodies are covered by the existing resources of the Creative Europe programme for the 2014-2020 financial framework, or will be covered by the subsequent Union programmes supporting culture for the years after 2020. Furthermore, the proposal will not result in a higher number of European Capitals of Culture over the period from 2020 to 2033.

5. OTHER ELEMENTS

In its proposal, the Commission proposes to:

- allow the Member States in the calendar set out in the Annex to be more than two for the year 2023;
- give to the ECOC designated by Croatia and Ireland for 2020 the possibility to implement their programmes until 30 April 2021 without changing the year of designation;
- postpone the year in which Romania and Greece are entitled to host the ECOC title from 2021 to 2023;
- postpone the year in which a candidate country or potential candidate is entitled to host the ECOC title from 2021 to 2022;
- confirm the validity of the processes referred to in Articles 7 to 11 and Article 13 of Decision 445/2014/EU already concluded for the year of the title 2021 (only the year of the title being changed as indicated above);
- update accordingly the dates of the submission of the final evaluations for the two ECOC 2020.

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

Amending Decision No 445/2014/EU establishing a Union action for the European Capitals of Culture for the years 2020 to 2033

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,
Having regard to the Treaty on the Functioning of the European Union, and in particular Article 167 (5) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the Committee of the Regions³,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) The objectives of the European Capitals of Culture action are, according to Article 2 of Decision No 445/2014/EU, to safeguard and promote the diversity of cultures in Europe, to foster the contribution of culture to the long-term development of cities, to enhance the range, diversity and European dimension of the cultural offering in cities, including through transnational cooperation, to widen access to and participation in culture, to strengthen the capacity of the cultural sector and its links with other sectors and to raise the international profile of cities through culture.
- (2) The attainment of these objectives presupposes mobility, travel, organisation of events and public participation, which are extremely difficult if not virtually impossible in the COVID-19 pandemic era.
- (3) As a direct consequence of lock-down measures taken across Europe, cultural venues have been closed down and cultural events have been cancelled or postponed for an undetermined period of time. European and international cultural cooperation projects have been radically slowed down, as the physical crossing of borders has been limited. Finally, due to rapidly decreasing revenues and emerging public health-related needs, local, regional and national governments are under increased budgetary pressures. Private sponsoring for culture is also becoming more challenging for the time being as there is no public event to sponsor or because companies give priority to public health-related sponsoring activities.
- (4) Current and future European Capitals of Culture are impacted to various degrees primarily depending on the year for which they hold the title. It appears that the impact is strongest on the implementation of the two European Capitals of Culture 2020 and the preparation of the three European Capitals of Culture 2021.

³ OJ C , , p . .

- (5) The two European Capitals of Culture 2020 had to postpone or cancel all events since March 2020 without any clarity when (and whether) the situation will come back to normality. In practice, they are prevented from implementing their year as a European Capital of Culture and capitalising on the huge investment made.
- (6) In the three European Capitals of Culture 2021, the pandemic results in a very high level of uncertainty in nearly all areas associated with their preparation: insecure financing perspectives from public and private partners, unknown future safety regulations affecting both participatory work and event types to be authorised, as well as travel restrictions reducing tourism flows and possibilities of European partnerships. The preventive measures slowed down the preparatory work of the three European Capitals of Culture 2021 to a critical point, when they should, under normal circumstances, double efforts, due to the fact that delivery teams were in lockdown while the economic survival of potential contracting partners is uncertain.
- (7) Decision No 445/2014/EU does not provide for the necessary flexibility to take into account these extraordinary circumstances, more specifically it does not include any provision on prolongation or postponement of the year when a particular city holds the title of a European Capital of Culture.
- (8) Decision No 445/2014/EU should therefore be amended in a way that is strictly tailored to the need to address this exceptional situation in order to allow cities holding the title of a European Capital of Culture that are most severely impacted by the pandemic to implement their programmes in a way that allows the delivery of the objectives of the action.
- (9) After a consultation process that involved the cities and the Member States concerned, it has been concluded that it is appropriate to provide the possibility to the ECOC cities designated by Croatia and Ireland for 2020 to continue implementing their programmes until 30 April 2021, without changing the year of designation. Therefore, Articles 3, 4 and 16 of Decision 445/2014/EU should be amended accordingly.
- (10) After a consultation process which involved the cities and the Member States concerned, it has been concluded that the year in which Romania and Greece are entitled to host the title of a European Capital of Culture should be postponed from 2021 to 2023 and the year in which a candidate country or potential candidate is entitled to host the ECOC title should be postponed from 2021 to 2022. Therefore, Article 3 of Decision 445/2014/EU and the calendar set out in the Annex to that Decision should be amended accordingly. This Decision should not affect the validity of the procedures referred to in Articles 7 to 11 and 13 that have already been concluded with respect to the year of the title 2021,

HAVE ADOPTED THIS DECISION:

Article 1

Decision No 445/2014/EU is amended as follows:

- (1) Article 3 is amended as follows:
 - (a) the second subparagraph of paragraph 2 is replaced by the following:

‘The title shall be awarded each year to a maximum of one city in each of the two Member States appearing in the calendar set out in the Annex (“the calendar”) and, in the relevant years, to one city from a European Free Trade Association country which is party to the Agreement on the European

Economic Area (“EFTA/EEA country”), a candidate country or a potential candidate, or to one city from a country that accedes to the Union in the circumstances set out in paragraph 5. In 2023, a maximum of one city in each of the three Member States appearing in the calendar set out in the Annex shall hold the title.’;

(b) paragraph 3 is replaced by the following:

‘Cities in Member States shall be entitled to hold the title for one year in accordance with the order of the Member States appearing in the calendar. The cities holding the title in 2020 shall have the possibility to continue implementing their cultural programme until 30 April 2021, without the year of designation being changed.’

(2) The second subparagraph of Article 4(2) is replaced by the following:

‘The cultural programme shall cover the year of the title and shall be created specifically for the title, in accordance with the criteria laid down in Article 5. The cities holding the title in 2020 shall have the possibility to continue implementing their cultural programme until 30 April 2021.’

(3) In Article 16(1) the following fifth subparagraph is added:

‘The cities holding the title in 2020 shall draw up their evaluation reports and transmit them to the Commission by 30 April 2022.’

(4) The Annex is replaced by the text set out in the Annex to this Decision.

Article 2

The procedures referred to in Articles 7 to 11 and Article 13(2)(a) of Decision 445/2014/EU already concluded for the year of the title 2021 shall remain valid. The year of the title shall be changed according to the Annex to this Decision.

Article 3

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

Done at Brussels,

For the European Parliament
The President

For the Council
The President