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PROGRESS REPORT

from: Council General Secretariat
to: Coreper/Council

No. Cion prop.: 12558/12 CULT 103 CODEC 1903

Subject: Proposal for a Decision of the European Parliament and of the Council
establishing a Union action for the European Capitals of Culture for the years
2020 to 2033
- *Progress report*

I. INTRODUCTION

The European Capitals of Culture action was created in 1985 in order to celebrate the richness and diversity of European cultures, highlight common features and promote greater mutual understanding between European citizens. Initially an intergovernmental initiative, it was brought in 1999 into a Community legislative framework in order to improve the effectiveness of the action by establishing uniform criteria and selection procedure for all cities from Member States. The current rules for selecting European Capitals of Culture are laid down in the Decision 1622/2006/EC¹ and will end in 2019.

¹ Decision No 1622/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Community action for the European Capital of Culture event for the years 2007 to 2019 (OJ L 304, 3.11.2006, p. 1).

Given the fact that the selection process starts about six years in advance to allow sufficient time for cities' preparation, the new rules for the period beyond 2019 need to be established by 2013 in view of ensuring a smooth transition between the current and new system. Against this background, the Commission adopted on 20 July 2012 a proposal for a Decision of the European Parliament and of the Council establishing a Union action for the European Capitals of Culture for the years 2020 to 2033². Following its transmission to the Council, the Commission proposal has been examined at the Working Party level.

II. COMMISSION PROPOSAL

The Commission proposes to continue the current European Capitals of Culture event beyond 2019. The European Capitals of Culture have become over the past years one of the most visible and well-known cultural initiatives of the Union, greatly appreciated and enjoyed by European citizens. In addition, the event has proven to be beneficial to cities themselves by stimulating their longer-term economic and social development.

The Commission proposal, which was accompanied by a staff working document³, retains the general structure of the current action as well as a number of existing elements which the Commission believes have been the strong points of the action, such as the chronological order of the Member States entitled to host a European Capital of Culture, a selection based on one-year long cultural programmes created specifically for the event, eligibility of cities which may, if they wish so, involve their surrounding regions, and the two stages selection process (consisting of pre-selection and selection stages).

² 12558/12.

³ 12558/12 ADD 1.

On the other hand, in order to address the main difficulties that the Commission has identified under the current rules, such as the lack of stability in the governance structures and in the budgets, the lack of visibility and understanding of the European dimension, or the insufficient embedding of the title in the long-term city's development strategy, the Commission is also proposing a number of important changes to the current scheme. They mainly concern the strengthening of criteria, the partial opening of the action to candidate and potential candidate countries, the composition of the European panel of experts and the designation of European Capitals of Culture.

III. CURRENT STATE OF WORK WITHIN THE COUNCIL

The Cyprus Presidency scheduled four meetings of the Cultural Affairs Committee⁴ in order to hear delegations' initial reactions to the Commission's proposal and to complete a detailed examination of the proposal.

IV. DELEGATIONS' MAIN REACTIONS

The Commission's proposal to continue the current action beyond 2019 received a positive reaction in the Cultural Affairs Committee. Member States generally welcomed the Commission approach of building on the strengths of the current system, while remedying its weaknesses. There was also an overall support for the structure and most elements of the Commission's proposal, such as the rotation system between Member States, the two stages selection procedure and the reinforcement of the accompanying measures. On the other hand, some delegations felt that the Commission's proposal, while strengthening the EU aspects of the action, has weakened the involvement and responsibility of the Member States (no national experts in the European panel, Council not designating the winning city), which might in turn lead to political and financial disengagement of Member States.

⁴ 4 and 21 September, 2 and 31 October 2012.

On the detailed content of the proposal, discussions in the Cultural Affairs Committee have highlighted the following main issues:

i) **Criteria** (Article 5)

The Commission proposes more detailed criteria, thus increasing the number of categories from the current two to six. Member States welcomed these more explicit criteria, in particular regarding the “European dimension” category, which would give better guidance to the candidate cities and increase the overall measurability of the action. However, two elements raised concerns among the Member States: the need for a candidate city to demonstrate cross-party political support for its application (category 2 - “capacity to deliver”) and the requirement regarding the feasibility of the proposed budgets (category 6 - “management”).

In both cases, Member States - while agreeing on the *raison d’être* of these criteria to ensure proper delivery of commitment - questioned the feasibility of fulfilling these obligations given a long period of time between the submission of the application and the year of the title (approx. 6 years), during which political and financial situations are likely to change, and called for a more flexible wording.

ii) **European panel** (Article 6)

Like under the current scheme, a European panel of independent experts is proposed to be established in order to carry out the selection and monitoring procedures. However, the Commission proposes two major changes comparing to the current panel. Firstly, a new European panel would no longer be composed of national experts (i.e. experts appointed by the Member State hosting the title), but exclusively of experts nominated by EU institutions (European Parliament, Council, Commission and Committee of the Regions). A majority of delegations disapproves the proposed change as the Panel would lose the knowledge of the specific context of a given country, which used to be provided by national experts.

Secondly, under the current system, each EU institution organises the selection and appointment of its panel members following its own procedures. According to the Commission proposal, the EU institutions would have to choose their experts from a pool of potential panel members, established by the Commission following a call for expression of interest. Several Member States questioned the proposed change, in particular its administrative and time implications.

iii) ***Opening to candidate and potential candidate countries*** (Article 10 and Article 3 (3))

Currently only cities from Member States can participate in the European Capitals of Culture action. The Commission proposes to open the participation partially also to cities from candidate and potential candidate countries. Unlike in the case of Member States, an open competition would be organised every 3 years for cities from those countries.

While many Member States welcomed the opening to the non-EU countries, other Member States expressed a more reserved position on this issue, arguing that this could lead to the proliferation of European Capitals of Culture (3 capitals every three years) and thus affect the quality and reputation of the title. Since the new action is proposed to be financed from the future Creative Europe Programme, several delegations pointed to the inconsistency between countries participating in the Creative Europe programme and those participating in the European Capitals of Culture.

iv) ***Designation of the European Capitals of Culture*** (Article 11)

The Commission proposes to change the current scheme, under which the Council designates the cities to hold the title, to a designation by the Commission. This proposal is not welcomed by a significant majority of Member States, arguing that the political endorsement at the highest possible level is important to guarantee the political and financial support to the city concerned.

Many of those delegations also highlighted that speed and efficiency - arguments put forward by the Commission to justify the change in the designation process - should not prevail over the symbolism and prestige of this action.

v) ***Melina Mercouri Prize*** (Article 14)

The Commission is proposing to change the current rules under which the pecuniary prize is paid during the year preceding the year of the title. The Commission's proposal, which would postpone the payment of the prize until June of the year of the title, was not positively received by many delegations. These delegations believed that paying the prize 6 months after the year has started could negatively affect the financial planning of the event.

In addition, delegations have raised the following more technical issues :

- the necessity to have more precise definitions of “city” and its “surrounding regions” (Article 4);
- the need to clarify further certain criteria (Article 5);
- the new possibility given to the European panel to recommend not to award the title if no candidate city fulfils the criteria at the final stage (Article 9);
- cooperation between designated cities: while Member States welcome the new article, some delegations do not think that cooperation should be a criteria for the monitoring procedure (Article 12);
- a more flexible wording of conditions to be fulfilled in order to receive the Melina Mercouri Prize (Article 14);
- the need to take into account unforeseen events and economic crises which might affect cities' plans and budgets.