



EUROPEAN COMMISSION

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C(2012) 7952 final

Dear President,

The Commission would like to thank the Senato della Repubblica for its Opinion on the proposal for a Regulation of the European Parliament and of the Council on establishing the Creative Europe Programme {COM(2011) 785 final}, and apologises for the delay in replying. The Commission would like to make the following comments:

The Commission welcomes the favourable Opinion of the Senato on the Commission proposal for the Creative Europe Programme and in particular the support for an increased budget. Regarding the main points of concern of the Senato the Commission would like to clarify and comment as follows:

1. Criteria for the selection of projects and evaluation of the programme

As regards the implementation of the programme and the selection of projects, the Commission will establish annual work programmes including the objectives pursued, the expected results, the method of implementation and the budgetary breakdown on different action lines. The work programme will further comprise the description of the action lines to be financed and an indicative timetable as well as priorities and essential selection criteria. This work programme will be adopted by the Commission following consultation of the Member States representatives in the Creative Europe Committee. The content of the annual work programmes together with relevant rules of the Financial Regulation will be presented in a user friendly way in a programme guide and guidelines on specific action lines. The Executive Agency of Culture, Education and Audiovisual (EACEA) cannot add any further selection criteria but only implement the action lines outlined in the annual work programmes.

The Commission will further ensure ex-post monitoring of the implementation of the programme as laid down in Article 14 of the proposal. To this end it has established

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SMART (specific, measurable, achievable, relevant and timed) performance indicators. In addition to the monitoring process the Commission will establish an extensive evaluation report including quantitative and qualitative elements in order to assess the impact of the programme. The report will fully take into account the dual nature of cultural and creative projects and works, the contribution of the programme to creativity and spill-over effects into other areas such as education, innovation and research or social cohesion.

2. Budget allocation

The Commission proposes to allocate 30 % of the budget to the Culture Strand, 55 % to the MEDIA Strand and 15 % to the Cross-sectorial Strand. This distribution between the different strands is based on the budget of previous programmes as well as on the identified needs of the sectors. Due to the cost-intensive development and distribution of audiovisual works a relatively higher budget has been allocated to the MEDIA Strand. Bringing both strands and the cross-sectorial strand together under one roof, the Creative Europe Programme will however create a better balance and more visibility for all strands of the programme.

3. The role of Creative Europe Desks

The Commission aims for simplified and efficient implementation and management of the programme. For that reason it has proposed to bring together the current Cultural Contact Points and MEDIA Desks. The merger will create synergies between the different strands, make access to the programme easier and more transparent for applicants and improve management. The main task of the Creative Europe Desks is as for the current information and contact points, namely to promote the programme and assist applicants with their applications. This can be achieved for example through individual or sector wide information sessions. The implementation of the programme is the responsibility of the Commission namely via the comitology procedure, which involves the Creative Europe Committee and its Member State representatives. It is also in order to avoid potential conflicts of interests that the Desks shall not be involved in the selection of projects.

4. The Financial Facility

The objective of the financial facility proposed for the Creative Europe Programme is to strengthen the financial capacity of the cultural and creative sectors. It will help small and medium sized enterprises (SMEs) in the sector to access bank credits and address the limited spread and dissemination of expertise among financial institutions with regard to financial analysis of cultural and creative SMEs and projects. The facility will provide guarantees to banks dealing with cultural and creative SMEs, thereby enabling easier access to bank credits for such SMEs as well as providing expertise and capacity building to the financial institutions and increasing the number of financial institution willing to work with cultural and creative SMEs.

The financial facility is not intended to replace grant funding but complement it by guarantees to intermediaries that provide lending to beneficiaries who have difficulty accessing financing (e.g. SMEs). In numerous stakeholder consultations some categories of operators have been identified that would clearly benefit from such a scheme, allowing them to gradually switch to a more entrepreneurial model and to be less dependent on public money. The scheme will enlarge the possibilities offered to cultural and creative operators seeking financing. However, the Commission fully acknowledges that for other categories of cultural players grant schemes are indispensable in order to enable them to develop and carry out innovative and creative projects and reach out for new audiences.

I hope that this reply addresses the issues raised in the Opinion of the Senato della Repubblica and I look forward to continuing our political dialogue in the future.

Yours faithfully,

*Maroš Šefčovič
Vice-President*