



EUROPEAN CAPITAL
OF CULTURE

**The European Capital of Culture
in 2021 in candidate countries and potential
candidates for membership of the EU**

**The Selection Panel's report
Final report**

**Brussels
November 2016**

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Introduction

This is the report of the selection panel (the “panel”) for the competition for the European Capital of Culture (ECOC) in 2021 between cities in candidate countries or potential candidates for membership of the European Union (EU).

The European Commission (the “Commission”) is the managing authority of the competition.

The competition is governed by:

Decision 445/2014/EU of the European Parliament and the Council of 16 April 2014 (the “Decision”¹)

Rules of Procedure – “Competition for the 2021 European Capital of Culture title in candidate countries/potential candidates” (the “Rules”) issued by the Commission and posted on their website in May 2015.

Selection Panel

The selection panel consists of 10 members. They were appointed by the institutions and bodies of the EU (European Parliament, Council of the EU, the European Commission and the Committee of the Regions) in line with article 6 of the Decision.

The panel appointed Steve Green as chair and Suzana Žilič Fišer as vice-chair. All members of the panel signed a declaration of non-conflict of interest and confidentiality at both meetings of the panel.

Pre-Selection

The competition is in two phases: pre-selection (shortlisting) and final selection. The Commission issued a call for applications on 23 December 2014. There were 2 applications submitted by the deadline of 23 October 2015.

The panel met in Bucharest on 11 December 2015 for the pre-selection meeting. The panel recommended that the Commission invite both applicant cities (Herceg Novi in Montenegro and Novi Sad in Serbia) to progress to the final selection. The panels’ report is published on the website of the Commission.

The Commission accepted the panel’s recommendation and invited the two cities to submit revised applications with a deadline of 9 September 2016.

Both cities submitted their revised applications (“bidbooks”) by the deadline.

The following steps took place between the pre-selection and final selection meetings:

- The mandate of panel member Anton Rombouts expired on 31 December 2015 and he was replaced by Alain Hutchinson.

¹http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2014.132.01.0001.01.ENG

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- Both cities twice met with the panel's chair via video-conference to seek clarification of the recommendations in the pre-selection report.
 - The chair and vice-chair of the panel visited both cities in September 2016, spending one day in each. They were accompanied by an observer from the Commission. The panel members reported back to the full panel at the selection meeting.

Selection Meeting

The final selection meeting took place in Brussels on 13 October 2016.

Representatives of the Commission attended as observers. The observers took no part in the panel's deliberations or decision.

The candidates appeared before the panel in alphabetical order. Each city made a 45 minute presentation followed by 75 minutes in a Question & Answer session. Delegations had up to ten members.

The chair of the panel announced the panel's recommendation at a press conference after the meeting in the presence of the director-general of the Education and Culture Directorate-General of the Commission, officials from the permanent representations to the EU of both Serbia and Montenegro and the bidding cities' teams.

Context

This is the first time cities in candidate countries and potential candidates have applied to become an ECOC under the terms of the Decision which covers ECOCs from 2020 to 2033. (There have been ECOCs in non-Member States but under previous Decisions). The scope of an ECOC embraces a deep and wide appreciation of the role of culture in city, and European, development.

As this is the first time such a competition has taken place the panel points out certain aspects:

- The competition is between cities and not countries.
- The selection of an ECOC is based on the programme specifically designed for the ECOC year and set out in the bidbook, not the current cultural offer in a city nor its history and cultural heritage.
- A city is required to have a formal medium term cultural strategy. This ensures the ECOC is a core element in the progress of a city and not a one-off event. It enhances the importance of a sustainable legacy.
- Increasingly best practice is that candidate cities continue to implement their strategy regardless of the outcome of the competition.

In this particular competition the panel was presented with two bids from cities in countries seeking membership of the EU. Both bids had the full support of their national governments represented by their Ministers of Culture during the city visits before the selection meeting. The political objective of EU membership at national level is not a criterion for selection as an ECOC.

However at city level the panel was pleased to see positive developments in both bids. These included:

- The active use of an international team and advisers to prepare the bid. A feature of the EU, and of the ECOC, is this international approach to team building. There is a clear difference between an ECOC and a national city of culture.
- The active approach to reconciliation after the wars of the 1990s. The EU was formed 60 years ago with the express value of bringing former enemies together and this strength of reconciliation is at the heart of the EU. In the ECOC context this is demonstrated in the importance of the European Dimension in the criteria.

The Panel's Decision

The panel assessed each candidate against the objectives of the ECOC programme (article 2 of the Decision) and the six specific criteria in article 5. Each of the criteria has more specific requirements set out in the Decision. The emphasis is on the specific programme planned for the ECOC and not based on the existing cultural offer of the city.

- Contribution to the long-term cultural strategy of the city,
- European dimension,
- Cultural and artistic content,
- Capacity to deliver,
- Outreach,
- Management.

The panel was presented with two different bids from two different cities facing their own challenges and each with its own approach to the six criteria. The panel noted that both cities have a vibrant, although very different, cultural offer.

The panel considered both candidates had made significant progress since the pre-selection meeting and both would need to maintain this pace of development in the coming years if selected. In both cases the panel appreciated the openness and approach demonstrated by the cities during their presentation and the question and answering sessions. Both enhanced their bids by providing more concrete and firm information than in the bidbooks.

After the presentations the panel debated the merits of each city against the criteria and then in the final discussion the applications were weighed up against each other.

Each panel member weighed their own interpretation of the criteria against the bids with their bidbooks, presentations and answers, augmented by the feedback from the visits.

In summary the panel considered the bid of Herceg Novi to have strengths in the relationship of the cultural strategy to the city's general strategy and in the intention to have a strong focus on reconciliation. The panel felt that the longer term strategy of the city, to increase its cultural capacity and offer leading to a higher value added form of tourism away from the lower value mass market was a viable strategy. This is a common city strategy in the Mediterranean.

The panel noted the increasing city budget for culture. The proposed programme had some strong elements. The Frenemies concept is important, especially in this region and there are several projects which developed in a positive reconciliation context. The arts programme contained an approach to high quality “big names” which would be attractive to tourists.

The panel however had doubts over three significant issues. The first was the ability of the city to manage a project the size of an ECOC over a full year (and indeed with a considerable build up). The cultural infrastructure is small and the managerial capacity limited. The second was the lack of input from the tourist industry. The panel would have liked more input from the tourist sector itself to understand their support for this change in provision. The third concern is the sustainability of the legacy. There was little confidence that the city would be able to continue with such a high quality and attractive programme with its limited cultural sector. During the drafting of this report the panel learnt that the president (mayor) of the city said that the city would continue with the programme. This is in line with best practice for ECOC candidates.

The panel considered the bid of Novi Sad to have strong points in its desire to move from the 20th century to the 21st century by reflecting the contemporary realities of the city and its opportunities. It takes an open approach to the issues of migration, post-conflict and an inward looking approach. The panel appreciated the comprehensive mapping of the cultural sector in the city; this acts as a solid foundation for both the cultural strategy and the ECOC programme. The proposed artistic programme based around the theme of Bridges has the potential to change the city’s cultural offer and for its cultural institutions to significantly increase their sustainable international cooperation, one of the key aims of the ECOC action. The proposed budget was adequate for an ECOC which needs to make an impact on a European scale. The panel felt that the bid had several weaknesses, notably in a rather limited geographic spread of proposed partners. There are areas of the bid which need significant development, along the lines put forward in the bidbook, over audience development, a more two-way engagement with citizens outside of the cultural sector and a sharper definition of legacy beyond the undoubted place-branding benefits of an ECOC title holder.

After due consideration of both bids, the panel recommends that the Commission designates, as a European Capital of Culture in 2021, the city of Novi Sad.

Detailed assessments of the candidates

The following assessments record the main aspects of the panel’s deliberations. For Novi Sad recommendations are made later in the report to strengthen their bid and to assist their transition from candidate to implementation.

Herceg Novi

Context

Herceg Novi presented their bid under the theme of “Frenemies”, the same as at preselection. It is a city of 30,000 citizens in a bay area of 100,000 rising to over 200,000 in the peak summer months. The bid is presented with the support of the neighbouring municipalities in the Boka Kotorska Bay region. Its aim is to create a new

creative region around the bay area. The city of Herceg Novi wishes to change its reputation as Montenegro's "shunned and forgotten city" through its change programme explicit in the ECOC bid. At the same time it seeks to take a leadership role in creative and cultural education not only locally but also nationally.

The bidbook is available at <http://hercegnovi2021.me/en/bid-book-2/>

Cultural Strategy

The cultural strategy² was approved by the city council in September 2016. It has 9 goals and is mapped against the national cultural strategy. The intention is a radical transformation of the cultural and civic organisation in Herceg Novi. It is commendably short at 15 pages. It has four underlying values: Tolerance, Talent, Technology and Transparency. The panel noted positively the emphasis on the last item to add to Richard Florida's famous trio of values of a creative city. The bidbook sets out clearly the "key improvement goals". The panel noted these with a concern that they were general and still required a detailed implementation plan. The strategy had been prepared by a small team; the panel normally expects a wider consultation with the cultural sector and with citizens.

The panel appreciated the presentation which was more concrete than the bidbook in setting out on the more substantive objectives of the city and cultural strategies and the related artistic vision of the ECOC. These objectives centred on changing the tourist offer, both in terms of extending it through the year and in quality and depth. There was also a strong emphasis on school-level education. The panel appreciated the practical focus to these objectives.

The bidbook was clear on the proposed economic, cultural and social impacts of the ECOC for Herceg Novi. They especially noted the objective of using international expertise to help meet their objectives. This is a sound European approach. The panel was however disappointed not to learn from the Herceg Novi tourist sector on their reaction and any planned changes to their approach to tourism in the city. This made it difficult to explore how the bid would develop longer term links between the dominant economic sector of the city and the cultural sector. There were frequent references to the creation of a Boka Kotorska Bay creative region; however these were less supported in both the presentation and the bidbook by decision makers in the wider region.

The panel appreciated the intention not to overcomplicate the evaluation process. The four relevant objectives (cultural development, improved civic governance, economic growth and national and international image) were associated with concrete objectives in the "Index of Hopefulness". The bidbook acknowledged that evaluation is not yet a strong factor in Montenegro; it plans to work with the University of Cetinje. The panel suggests that the university could usefully partner other universities in ECOCs to gain experience.

European Dimension

The panel appreciated the flagship programme "Frenemies 4.0", a three year programme progressively engaging with partners also tackling the issue of reconciliation after

² <http://hercegnovi2021.me/en/programme-culture-development/>

conflict. These include cities from the Bay region, to the former Yugoslavia, to cities further afield in Donostia/San Sebastian, Matera and Plovdiv. (Derry/Londonderry could be usefully added to this list). The panel felt the list of artists and cultural organisations currently lined up was of high quality for the programme. The panel noted other issues to be addressed including the changing nature of male employment, gender equality and creative industries in smaller cities.

The bid proposed using Herceg Novi as a model for other European cities seeking to be small creative cities. The panel felt this was an ambitious aspiration but at this stage its development was too generic and not as developed in practical terms. A focus to attract companies from other European countries was not developed (for example to address legal and tax issues). The panel would have expected a more detailed analysis of the existing sector, its business potential and the subsequent developmental strategy.

During the presentation it was emphasised that many of the international artists would be working with local artists or students rather than only performing or exhibiting. The panel welcomed this re-assurance but felt there was limited co-production and co-curation. As an accompaniment to this joint performance the panel would have expected more opportunities for outward mobility, residencies and exchange for local artists and performers to enhance their skills and experience.

The geographic scope of the proposed programme was relatively limited for an ECOC which has a pan-European remit. The proposals to work with the other ECOCs in 2021 in Romania and Greece were welcomed, including the idea of a common information website.

The panel felt that, in terms of the criterion, it was not clear how citizens of Herceg Novi would extend their awareness of the diversity of cultures in Europe.

Artistic programme

The "Frenemies" concept was considered by the panel both to be a strong vision but also difficult to understand in a wider European, rather than regional, context. The overall concept was divided into three programme lines in the artistic programme. "Peace of Art", a chance to bridge conflict; "Creative Bay", a place for artists, digital nomads and entrepreneurs and "Let's Talk Boka", with a focus on the spoken word. The panel appreciated the set of principles used to select projects for the programme.

The "Frenemies" concept could give the Artistic Director a strong definition to accept or reject proposals for projects in the ECOC. This approach has been successfully used by Donostia San Sebastian with their "Coexistence" vision. It was felt, however, that the proposed programme did not reflect the concept in a consistent manner. The panel would have expected a greater engagement with other post conflict cities, notably Dubrovnik in the near region and moving further afield across Europe. Experience has shown that post conflict reconciliation is best achieved through longer term projects. The panel felt the proposed programme was over-concentrated on the ECOC year itself. Most ECOCs now have a gradual increase in activity in the ramp years, notably with multi-year projects of engagement and participation. The "What's So Funny about Peace. Love and Understanding", is a good example of this type of project (although with limited international scope). The panel would have wished for more in the context of Frenemies to enable a sounder programme.

There were strengths in the proposed programme. The panel welcomed the OriginalE which has evolved into an investigation of the jobs now lost in the heavy industries across Europe. The Language and Humour of Proximity addresses the local with international partners. Other projects which looked strong included the Pocket Operas, the Other Side/Sea Project (especially the augmented reality element), and the Artists' Colony.

The panel noted the strong digital component of the proposed programme, as recommended in the pre-selection report.

The "Creative Bay" strand of the programme has an interesting approach. The panel heard in the presentation of the possible opportunities which exist at operational level in the Bay area in the creative industries. The ECOC is an opportunity to create a multilevel governance approach to create synergies and sustainable shared cooperation. However the panel felt that a strong strategic approach was not yet developed, there was limited explicit cooperation from the other cities in the bay.

Capacity

The ECOC bid has the full support of the mayor and the council which approved the bid, including the financial contributions, in September 2016. The neighbouring cities have also indicated their financial support. The government of Montenegro has classed the ECOC bid as a national project. The panel did not see an active engagement from the cities around the Bay. Certain projects were located in the other cities but it was difficult to discern the benefits to them beyond the Bay itself gaining greater international exposure as a result of a Herceg Novi ECOC title. The panel noted that some of the proposed infrastructure projects would improve mobility around the bay, without affecting the World Heritage status of the Kotor end of the bay currently at risk from development.

An ECOC programme is extensive and in almost every example runs throughout the year with several hundred individual events. This requires a considerable managerial effort, outside of the ECOC team, to sustain. The panel did not feel that Herceg Novi had the depth of management available for the year-long programme encompassing most artforms. The plans for short-term Festival Academy training programmes from the European Festival Association will be a valuable activity but the panel considered a more in depth transversal capacity building programme would be required. This is now a feature of ECOCs.

The bid includes a considerable physical infrastructure programme of mainly renovation of heritage properties or of upgrading existing cultural venues. The forecast budget for these is considerable. The bidbook gave little information on the current state of play of securing financial resources. The panel strongly supported the general direction of this upgrading of the cultural facilities but considered the bid has a high risk of non-completion before the year.

Outreach

The panel considered that one of the strong points of the bid was the emphasis on education at school level. This was evident in projects, in infrastructure and in efforts to develop the national school curriculum.

The panel noted the open analysis presented by the bid in their relationship with citizens and NGOs in a country where engagement of this sector with civic authorities is still in development. This environment requires a different approach to outreach and the bid-team made impressive steps in the period since preselection. The active partnership with the NGOs of the city is in place for implementation within the programme. The call for proposals, with the allocation of a budget, indicated a bottom up approach.

At this stage the audience development was less developed than the panel would expect. The bidbook mentioned various approaches but not in a strategic manner; the subsequent legacy changes in the activities of the cultural institutions was not evident.

The panel noted the success of the volunteer programme in winning regional awards for inclusive volunteering.

Management

The forecast budget for the ECOC is €15m. The income comes from the city €6m, national government €5m, the region €0.8m, EU projects €0.2m and €1.5m from tourism taxes. The private sector is forecast to contribute €1.5m. The budget is allocated 60% to programme expenditure, 20% to marketing and 17% to administration. A 3% reserve is kept back.

The panel considered the balance of planned expenditure was rather too heavily weighted towards marketing compared to programme expenditure. It would expect the tourist related marketing expenditure to be covered by the city's tourist organisation. The total budget is small for an ECOC even if this does reflect in part the lower relative costs in Montenegro.

The panel appreciated the very strong approach in the presentation to transparency regarding ECOC expenditure in order to set an example of public administration, to generate trust and facilitate co-operation in the country.

Novi Sad

Context

The bid of Novi Sad is premised on the aspiration to move from the latter half of the 20th century to the 21st century and its future development. The bid, and the related cultural strategy, seeks to reinsert the city (and by analogy the country) into European cultural environment. The bid seeks to raise the self-esteem of citizens (it is a city of 400,000) though a significantly improved and more international cultural life. Novi Sad claims to be a multinational, multicultural and tolerant city which can address many of the cultural and social concerns in the Europe of today. The bid has the full support of the region of Vojvodina.

The bid book is available at <http://novisad2021.rs/en/bidbook/?jez=lat>

Cultural Strategy

The panel was initially disturbed to find no reference in the bidbook to the formal approval of the city's cultural strategy. This is a pre-condition under the first criterion of the Decision. However the Novi Sad city website does show that the Novi Sad City

Assembly passed the Cultural Development Strategy 2016-2026 on 2 September 2016³. It is the first such strategy. It was developed by a small team with round table meetings with the cultural sector and members of the public. It was preceded by a mapping of the cultural situation in the city.

The panel welcomed the strategy as an initial step in the process of placing culture more centrally in the city's policies and in the opening up of the workings and operations of the city council. The outline of the strategy itself in the bidbook was rather general and applicable to many cities. It lacked intended outcomes. The panel felt that two key elements were underdeveloped: the ECOC legacy to the city beyond place branding and the integration of the cultural strategy with the city's urban development plans.

The panel was not clear on the ownership of the strategy within the city council, who should be the drivers for the changes explicit in the cultural strategy. These would include a re-balancing of resources for the various aspects of culture and the intention behind the projected increase in the culture budget of the city after the ECOC. The panel would expect the cultural strategy document (in Serbian) to appear on the city's own website as well as the ECOC bid's site (in English). The ECOC Company will be responsible for delivering the ECOC, but not the cultural strategy as a whole. That the ECOC and the cultural strategy run in parallel does not mean the responsibility for implementation is the same.

The panel appreciated the comprehensive mapping of the cultural sector. This is a solid pre-condition for developing both the cultural strategy and the ECOC programme. It identifies the scope, diversity, strengths and weaknesses of the existing cultural sector. One of the key findings from the mapping was the low level of international engagement by the sector. Only 13% of cultural organisations in the city currently have international partners. This inward-looking approach is a low starting point for an international based venture like an ECOC. One of the main objectives of the ECOC programme is to increase international co-operation in the arts so this finding should lead to one of the most important elements of the programme and the subsequent sustainable legacy. The panel was disappointed not to see a priority indicator in the evaluation section seeking increased and sustainable international co-operation both beyond the region and after the ECOC.

The evaluation section included a listing of indicators with few specific objectives or outcomes. The panel felt it was difficult to discern the priorities of the ECOC from the list. An example is the statement in the European Dimension section that one of the main objectives of the Novi Sad project is the building of trust and restoration of co-operation between people in countries formerly at war. However there were no indicators set for this key objective.

The panel noted the unusual approach of appointing a Chief Evaluator to manager the work of the evaluation team. Hull, the UK City of Culture in 2017, is also using this approach. The panel noted the proposed partnership with the University of Novi Sad and the Local Operators Platform (and the setting aside of 1% of the operational budget for evaluation). This will form the basis for a more intensive definition of the complex evaluation requirements of an ECOC. There are a number of initiatives seeking a

³ <http://novisad2021.rs/en/cultural-development-strategy/?jez=lat>

university-led multi-ECOC long term evaluation consortium; it might be valuable to explore participation.

European Dimension

The panel appreciated the three prime topics selected: the wealth of diversity with its focus on inter-cultural dialogue; the culture of dialogue emphasising reconciliation; and the art of peace. Given the new demographics of the city and the recent history of the near region these three themes are very relevant to the European Dimension. The panel was pleased to see plans to co-operate with Osijek in Croatia. In Osijek's bid for ECOC2020 they gave significant attention to cooperation with Novi Sad. The panel was concerned that several projects expressly referred back to Yugoslavia (eg Brotherhood and Unity, Boom 21) or to the wars of the 1990s. One of the key approaches to reconciliation is using today's issues and themes rather than past memories, especially for those who were not there at the time. 2021 will be 20+ years since the Yugoslav wars. The panel felt that more could be done to enhance the projects by working in partnerships with cities further afield with experience of post conflict reconciliation.

The panel strongly appreciated the intention to include a European partner in 95% of the programme's projects. This degree of international collaboration is at the heart of an ECOC and differentiates ECOCs from a national city of culture. One of the criteria of the European Dimension is to pioneer new sustainable partnerships which enable a city's citizens to increase their awareness of the diversity of the cultures in Europe. The proposed programme in the bidbook includes projects with the near neighbours and along the Danube basin. The panel welcomed the proposed projects with recent and future ECOCs (including the plan to use journalists to report on the other ECOCs). The panel felt the overall balance of the programme could be significantly improved by strengthening two directions, one of extension and the other of deepening.

The first is to extend the geographic scope of partners. An ECOC operates at a pan European level and gives a city and its cultural operators the opportunity to extend their range of partners. As noted earlier there is scope to include partnerships with other cities in post conflict issues but this is not the only rationale.

The second is to deepening currently proposed co-operation with the ECOCs in Rijeka2020 and Timosiara2021 (as well as Osijek and the ECOC in Greece). The proximity of the ECOCs as well as recent histories could mean that enhanced partnerships would not only benefit Novi Sad but contribute to the ECOC brand as a whole.

Artistic programme

The proposed artistic programme is designed around a "For New Bridges" theme. The bridges are the "New Way", the "Rainbow", the "Freedom" and the "Hope". Each theme has sub-themes (streams) to drive the projects. The bidbook outlined around 30% of the programme. There will be further public calls for more projects. Some of these will derive from an interesting approach of thematic working groups, Idea Shop, and other participatory initiatives.

The vision of "For New Bridges" is a useful starting point. The "bridge" idea has a resonance with the historic bridges over the Danube, the destruction by NATO in 1999 and positive intention of the ECOC to focus on reconciliation and the future. The panel

felt that whilst keeping to the bridge concept it may be better expressed along the lines of "Building Bridges" or "Bridging to the Future" with their more dynamic and flexible meanings.

The panel thought the framework was over-elaborated. In some respects the framework was sound, for example in the way it linked back to indicators in the evaluation's section. It was less evident how the four strands related to each other or sat within the overall framework. The tiered structure may have been of benefit in the initial design of the programme but the panel feels it needs simplification in order to both focus project selection and in subsequent public awareness and understanding.

The panel appreciated several of the projects in the proposed programme such as the digitalisation of the heritage; the various artists' residence opportunities, the festival of minority theatres (which has the potential to be a sustainable festival for the legacy).

The panel was less certain about the flagship projects. These are normally large individual projects which are designed to be international and to act as leaders in attracting visitors from the rest of Europe. Creative Embassies and Ambassadors using expatriate Serbians would normally be a useful supplementary project. The Peace Chapel involving diplomats is unlikely to attract visitors and politicians and diplomats have often met in similar circumstances in various international forums. The objective behind the Peace Chapel is sound and the panel refers Novi Sad to the initiative taken by Wroclaw2016 with their "Wroclaw Commentaries, Culture and Human Rights" as an example of an ECOC tackling major issues in a broader international approach.

The panel felt that the projects engaging with the special target groups, migrants, Roma, disabled, neighbourhoods, tended to bring culture in parallel to the main thrusts of the programme; the progressive direction is for integration into the mainstream.

The plans for the cultural and creative industries in the "Freedom" bridge strand were a variable mix of ideas. The panel would have expected a firmer business analysis of the market led opportunities for the creative industries together with a listing of probable partners. The panel noted the use of digital tools in some of the heritage themed projects but overall was disappointed with the degree of innovative projects (not just those involving digital technology). The panel appreciated the Youth Creative Polis project, integrated into an urban development programme and providing a strong and sustainable legacy.

The panel had a serious concern about the balance of the programme based on the project costings in the bidbook. These accounted for around €20m of the planned €22.6m programme expenditure but represented only 30% of the programme. Many of the projects had rather high budgets attached to them. The bidbook noted future calls, without setting out the scope or criteria.

The panel also has a concern about the phasing of the expenditure. It is usual for ECOCs to undertake activity in the ramp years leading to the ECOC year itself but the amounts planned in 2017-19 appear high and did not seem to match the proposed programme projects which were limited in their multi-year format. Experience has shown that effective post conflict reconciliation needs multi-year engagement rather than a one-off event but few projects met this requirement. The same applies to capacity building which also needs a steady and consistent timetable over a number of years.

Capacity

The city council approved the bid, and the financing, in September 2016. The regional council has also approved its financial contribution. The government of Serbia has also indicated its support for the bid.

The bidbook set out a message that the cultural infrastructure of the city is in need of enhancement but did not follow through with a programme of change in capital investment. The new Music and Dance school is already underway. Putting this to one side the only capital enhancements in the cultural sphere appear to be the Youth Creative Polis and the cultural stations (centres) in three neighbourhoods. The remaining ideas in the bid are part of urban development which is likely to proceed regardless of the ECOC.

The panel noted several references to capacity building in the cultural and administrative sectors. Given the opening statements of the current state of cultural management in the bidbook the panel felt that capacity building needed an even stronger place in the ECOC. The approach of training the management team was sound but the panel considers that a report back on that training may be insufficient for a sustainable legacy change. Several recent ECOCs are running significant and comprehensive transversal and international capacity building programmes. These seek to upgrade skills in the cultural institutions, in the independent sector and in public administration (and possibly including NGOs out-side the cultural sector).

Outreach

The panel noted during the presentation that the main consultation with citizens had been in seeking their views on the proposals. The panel would expect greater involvement by them in the co-design and objectives of the bid. As it stands the bid appears to be overbalanced towards the wishes of the cultural sectors. The bidbook indicated that a fuller participation will be in the next phase. The monitoring panel will be interested in seeing the more detailed plans for this participation. There are interesting plans to involve volunteers in the implementation of the programme. The panel was interested in the Moba approach of citizen's engagement with civic officials. The panel noted the city's bid for European Youth capital and that Novi Sad was currently one of the finalists. The ECOC team intended to learn from the bid and to co-operate assuming its success.

The panel appreciated the commitment in the Cultural Development Strategy to adapt current cultural venues for the disabled before 2020. This should be a priority in new infrastructural funding in the build up to the ECOC. The panel also noted the impact that the Mobile Roma Embassy and the 46 Urban Neighbourhoods could have. The partners could usefully come from a wider range of countries including Galway2020.

The panel noted the intention to apply for membership of the Intercultural Cities network of the Council of Europe. This provides a good opportunity to learn from current members Rijeka2020 and Subotica, especially given, according to the bidbook, the current appearance of minorities "living side by side" rather than together in Novi Sad.

There was a good range of school based projects. The panel would expect a greater engagement of the 50,000 university students (and indeed of the universities themselves) in the programme.

The audience development programme of cultural institutions and festivals was outlined in the bidbook. This is often a key component of an ECOC and linked to capacity building at all levels in the cultural institutions. There are good openings with the intention to open artists to audiences, decentralise the regular culture programmes, a longer-term sustainable link between the cultural and social sectors and a micro grant scheme. With further development these isolated strands could develop into a stranger cultural offer in the city.

Management

The proposed budget is €30.1m of which the city will contribute €12.8m, the region €7.5m, the national government €5.3m, the EU (from competitive programmes) €2.8m. The private sector is expected to contribute €1.1m (just under 4%). Other sources will contribute €0.6m. The total budget is allocated 75% to programme expenditure, 13% to marketing and 12% to salaries and administration.

The panel felt the overall budget was adequate with the proviso about the programme spend raised above in the artistic programme section. The panel felt the plans for private sector funding could be revisited.

The panel note the intention to create a limited liability company to manage the ECOC. It is normal for the national ministry of culture to be represented on the Supervisory Board (and not the Honorary Committee which is advisory only). The panel was uncertain about the inter-action between the Honorary Committee, the Council of Citizens and the Supervisory Board.

The panel has concerns over the role of the Deputy CEO. Infrastructure projects are almost always managed by the city authorities (who also control the financial aspects) and not by the ECOC. Managing an ECOC is a major task, as is managing capital projects and the two should to be kept separate.

The bidbook did not indicate that the Artistic Director will be selected from an open international call, which is the standard ECOC practice. The panel does not, based on the outline programme in the bidbook, support the idea that membership of the current Arts Council should be seen as a desirable factor. Given both the CEO and the chair of Supervisory Board (the programme director for pre-selection) have already been appointed, the panel strongly recommend the recruitment through an open international call for new Artistic Director to oversee the development and implementation of the ECOC from a fresh angle.

Formal Designation

This report has been sent to the Commission for publication on their website. In accordance with article 11, and based on this report, the Commission will designate Novi Sad to hold the title of ECOC in 2021. It will inform the European Parliament, the Council and the Committee of the Regions. It will also inform the Ministry of Culture of Serbia. This formal designation enables Novi Sad to use the title "European Capital of Culture 2021".

Melina Mercouri Prize

The panel recommends that the European Commission awards the Melina Mercouri Prize to the designated city. The payment of the €1.5m prize is deferred until 2021. It is conditional.

The conditions are (article 14 of the Decision):

- The ECOC honours its commitments made in the application;
- It complies with the criteria;
- It takes into account the recommendations of this selection panel report and the reports of the monitoring panel;
- There has been no substantial change to the programme and strategy set out in the bidbook (except for changes recommended in this report). This includes plans for the legacies after the ECOC year;
- The budget has been maintained at a level capable of delivering a high level programme and at a level consistent with the bid-book;
- The independence of the artistic team has been respected;
- The European Dimension has remained sufficiently strong in the final programme;
- Marketing and communications have clearly shown it is a European Union action;
- Plans for monitoring and evaluation are in place.

In late 2020 the monitoring panel will make a recommendation to the European Commission on whether to make the payment based on these conditions.

Reputation of an ECOC

A city awarded the ECOC title receives considerable international attention from the panel's recommendation and extending well beyond the ECOC year. It has a responsibility to uphold the reputation of the ECOC brand for the benefit of previous and future title holders. City administrations should be aware that decisions taken (and not just in the cultural sector) may attract formal national, international and social media attention far beyond they are used to handling. This adds a special and new aspect to decision taking in the city over a wide range of issues.

The monitoring phase

Once an ECOC has been designated it enters the "Monitoring Phase" (article 13 of the Decision). The monitoring panel will work with the ECOC to ensure the quality of the ECOC brand and to offer advice and experience.

The bidbook at final selection becomes the de facto contract between the designated city and its citizens, the monitoring panel, the Commission as well to the other candidate. It has an important role in the payment of the Melina Mercouri Prize. The monitoring panel will expect a close alignment with the bidbook during the preparation phase and during the ECOC year. Significant variations from the bidbook should be discussed with the panel, through the Commission, in advance of decisions being made.

There are three formal monitoring checkpoints (*autumn 2017, spring 2019 and autumn 2020*) when the ECOC will meet with the panel in Brussels. The Commission, on behalf of the monitoring panel, will ask the ECOC to provide a progress report. These reports

should indicate the major developments taken by the ECOC, updates of projects and plans in the bidbook, a risk review and an outline work plan for the subsequent period. The Commission, after consultation with the panel, will issue areas which specifically need to be addressed in the reports. These will include information on the implementation of recommendations by the selection and monitoring panels.

The panel may decide to visit the city to observe progress.

The panel's reports of all three meetings will be published on the Commission's website. The ECOC may decide to publish its own progress reports. The panel recommends publication in the interests of transparency.

The panel's recommendations

The panel makes the following recommendations. There is one general recommendation and then two sections. The first section refers to recommended changes and improvements to the proposal set out in the bidbook; the second section refers to recommendations of a governance and administrative nature in the transition phase from a bid process to the implementation process.

General recommendation

The panel considers that the Novi Sad bid needs to continue with its development. The direction of travel since pre-selection is sound and encouraging but the bid is not yet at a stage of completeness. The panel recommends that a delegation from the monitoring panel visits Novi Sad in early 2017, once the new, external, artistic director is in place. The aims of this visit are for the Novi Sad Foundation senior staff to learn from past ECOC experience and to adjust their programme in line with the recommendations in this report. It will be a working visit and not an opportunity for PR. In accordance with the rules this visit needs the prior authorisation of the Commission.

Recommendations on the proposal set out in the bid-book

- Consideration is given to amend the slogan "For New Bridges" into a more dynamic and forward-looking version. An example could be "Building Bridges" which fits the objective of moving on from the 20th century to the 21st; it can also be varied with terms of "Building Bridges between cultural organisations", "Building Bridges with partners" etc. This dynamic and flexible approach is being used by Galway2020 ("Making Waves") and Timisoara2021 ("Light Up").
- The responsibility for delivering the cultural and urban strategies is with the city administration which will work alongside the ECOC Company. The Cultural Strategy (in Serbian) should be posted on the city's website.
- The objective of increasing the international partnerships of Novi Sad's cultural institutions after the ECOC year is made a priority objective and represented in the evaluation indicators.
- The objective of seeking reconciliation between peoples after the wars of the 1990s is included as a priority objective to guide management and included in the subsequent evaluation. Success in this aspiration could be a strong legacy and guide to others using culture in post-conflict situations.

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- The ECOC team research the Evaluation post advertised by Hull2017 UK City of Culture as a guide to the Chief Evaluator post. It illustrates the experience and skillsets required. <https://www.hull2017.co.uk/jobs/monitoring-evaluation-officer/>
 - The Artistic Director is recruited through an international open call and preferably should not come from the current artistic council formed for the bid process. The successful candidate needs proven experience in international cultural management.
 - There should be greater coordination and integration of the urban development plans for the city with the legacy aspiration of the ECOC. At the moment the full extent of the longer term legacy of the ECOC is not clear enough.
 - The flagship projects to be revisited to give them a larger public and international focus and attraction. The Peace Chapel concept to develop beyond a small diplomatic event into a forward looking and more public event with international partners on the same theme of post conflict reconciliation in a European and global arena.
 - The plans for the development of the creative industries need greater participation, not just communication, from the private sector, the university (beyond the Academy of Arts) and public institutions and the economic development department of the city administration.
 - The programme to be revisited. This is standard practice in ECOCs after selection; the approach taken by Leeuwarden2018 is a good example to adopt.
 - During this revision the project costings are reviewed; this should resolve the current discrepancy between the financial costings and the programme proportion.
 - The programme to be widened to include more partners from further afield, including the fuller Danube region. Reconciliation is a key European theme and the panel would expect more on the theme and in particular cooperation and engagement extending beyond the former Yugoslavia to include other post conflict areas of Europe. Projects relating to the former Yugoslavia to be reviewed with an emphasis on looking forward and not to revisit or memorialise the past.
 - There are three European Capitals of Culture in 2021. The panel recommends an enhanced (i.e. more than currently planned) programme of interaction and cooperation between them (Timișoara, Novi Sad and Elefsina). Rijeka2020 should also be engaged in this ECOC partnership. One element might be to explore the idea of a shared website for information and marketing.
 - One of the features of reconciliation is co-operation with cultural operators in Osijek. This Novi Sad link was a strong feature of Osijek's bid for the ECOC title in Croatia and the panel expects a more significant development of this link.
 - Development continues with audience development strategy, capacity building and citizens' participation. Infrastructural expenditure outside of the major works to focus on enhancing access to cultural activities over more cosmetic changes.

Recommendations on the governance and administrative actions for the transition phase

- The limited liability company is formed.
- The Supervisory Board to be fully operational with its Board members appointed. Care should be taken that no member has a vested interest in the operations or projects of the programme.

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- The panel recommends the ministry is invited to have a full representative on the Supervisory Board and not with the advisory status on the Honorary Committee put forward in the bidbook. Its role is to ensure cooperation from various other ministries, national institutions and organisations.
 - The Company adopt a policy of transparency in its workings. Minutes of meetings should be made public including a periodic report on expenditure (in addition to the annual accounts, see below).
 - The relationship between the Supervisory Board and staff of the company to be defined and made public.
 - The Supervisory Board members need to understand their role as strategic and not executive or day to day management which is the task of the Executive Director. The Board holds the CEO and staff accountable at their quarterly meetings. Board members have roles as facilitators and ambassadors.
 - Supervisory Board members have a special responsibility to focus on the legacy objectives.
 - The new Supervisory Board should re-affirm the appointment of the Executive Director.
 - The Honorary Committee is formed with its members made aware that their role is advisory and not executive; they may not challenge decisions made by the Supervisory Board or staff.
 - The senior staff of the company are recruited through open competitions and contracted to be in place by spring 2017.
 - The CEO issues, with the approval of the Board, financial regulations for the company including the explicit delegation of financial and legal approvals.
 - An external organisation is appointed to undertake annual audits and to approve the Annual Accounts of the Association.
 - Arrangements are made for the publication of the Annual Accounts and the Annual Report to ensure transparency and public accountability. The Commission and monitoring panel should receive copies of these public documents on publication.
 - Internal management and administrative processes are in place. These will include human resources, legal (e.g. project contract arrangements), data privacy, intellectual property rights, the criteria and systems for calls for projects, the marketing and branding strategy. It is important that these are prepared early in the transition period as systems used in the bid process are unlikely to be robust enough for implementation.
 - The panel draws the ECOC's attention to the external evaluation of the 2014 ECOCs (on the European Commission's website) and in particular the importance of an early direct control of marketing and communication by the ECOC association. There should be clarity on the roles of the city tourism office and that of the ECOC marketing department.
 - Close attention should be paid to the reports of the monitoring panel for future ECOCs (2018-2019) to identify possible similar issues.
 - An internal communications strategy is developed and implemented. This covers communications within the association, between the association and the city administration, between the association and the ministry and between the association and the European Commission.
 - A detailed staffing plan up to and including 2021 including the use of interns, secondees and volunteers. There should be a clear distinction between the roles

each employment category will perform so that unpaid interns and volunteers do not replace fully paid staff.

- There is clarity that the city administration is responsible for the management and delivery of the capital projects. The ECOC needs to be up-to-date on the progress and have alternative plans if the projects fall behind schedule.
- The Board and staff ensure that there is recognition that the ECOC is a European Union programme. This goes beyond the use of the EU logo in all its marketing and (on and offline) and external communications (where the logo should be *prima inter pares* of other corporate logos). This will include an emphasis on Europe Days, on inviting speakers at conferences and seminars on EU issues etc.

Thanks

The panel wishes to place on record its thanks to DG EAC of the Commission for their efficient management of the competition.

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