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**1st REPORT ON THE
CONSIDERATION OF CULTURAL ASPECTS
IN EUROPEAN COMMUNITY ACTION**

(presented by the Commission)

GENERAL INTRODUCTION

In the preamble to the Treaty on European Union, signed in Maastricht on 7 February 1992, the High Contracting Parties expressed their resolve *"to mark a new stage in the process of European integration undertaken with the establishment of the European communities... creating an ever closer union among the peoples of Europe..."*

This asserted wish to associate the peoples of Europe more closely with the process of European integration is reflected, in particular, in the creation of European citizenship ("citizenship of the Union is hereby established") and in the explicit inclusion of new areas within the jurisdiction of the Community (education, youth, culture, public health, consumer protection, etc.).

European union, the principal elements of which have been linked historically to economic and commercial activities, is thus required to deepen, over a wider basis, which is likely to increase citizens' involvement and reinforce the sense of belonging to the European Union, whilst respecting the diversity of the national and regional traditions and cultures involved. In this respect, cultural action has a major role to play.

The following may be mentioned as being some of the changes brought in by the Treaty on European Union in relation to Culture:

- Article 3 EC (p), which includes as one of the objectives of Community action: *"a contribution to education and training of quality and to the flowering of the cultures of the Member States"*.
- Article 92§3(d), which stipulates that the following may be regarded as compatible with the common market: *"aid to promote culture and heritage conservation where such aid does not affect trading conditions and competition in the Community to an extent that is contrary to the common interest"*.
- Title IX, Article 128, which provides a specific basis for the accomplishment of encouragement actions intended, while respecting national and regional diversity and at the same time bringing the common cultural heritage to the fore, to support and supplement actions in Member States in the areas specified.

The establishment by the Treaty on European Union of a legal basis specific to culture signifies that Community action with regard to culture will henceforth be of a permanent nature and become an acknowledged branch of Community activity.

1. Article 128 of the Treaty establishing the European Community as amended by the Treaty on European Union

Title IX, Article 128, of the Treaty on European Union was studied in depth within the context of the Commission's Communication to the European Parliament and to the Council of the European Union (COM(94) 356, of 27.07.94): *"European Community action to promote Culture"*. This Communication served as a framework for the Commission's adoption of three action programmes: "Kaleidoscope", devoted to artistic and cultural activities, "Ariane", devoted to books and reading, and "Raphael", devoted to cultural heritage.

This Communication examined the following:

1/ *The aims of cultural action*, namely the contribution to the flowering of the cultures of

Member States, while respecting their national and regional diversity and, particularly, bringing the common cultural heritage to the fore, the encouragement of European cultural creativity, and cultural cooperation with third countries and international organisations.

2/ *Areas of intervention*: knowledge and dissemination of the culture and history of the European peoples; conservation of heritage, cultural exchanges, and artistic and literary creativity.

3/ *Procedures for Community intervention*. On the basis of the principles of subsidiarity and complementarity, intervention consists of measures to encourage cooperation between the Member States in the areas of intervention in question. Article 128 cannot serve as a legal basis for actions to harmonize the laws of the Member States. It must be emphasized that this provision introduced by the Treaty on European Union in no way affects the underlying basis of a number of legislative harmonisation documents relating to other objectives but which include a cultural dimension or have an impact in the cultural field. Consequently, the Community's capability to pursue and reinforce its action in respect of tasks assigned to it under the Treaty is not affected. The Treaty on European Union has given supplementary powers to the Community - it has not taken any away - and specifies that such harmonisation (or encouragement) initiatives must henceforth take cultural aspects into account under the terms of Article 128, Paragraph 4.

4/ *The decision-making procedure* adopted is that referred to in Article 189 B (co-decision), in consultation with the Regional Committee, the Council acting unanimously throughout this procedure.

2. Consideration of cultural aspects (Article 128, Paragraph 4)

Article 128, Paragraph 4, stipulates that "The Community shall take cultural aspects into account in its action under other provisions of this Treaty".

This is an essential provision, introduced into the Treaty by the High Contracting Parties, which reflects their desire to make Culture one of the major objectives of the Union. In effect, this provision gives expression to the European Community's obligation to consider the cultural objective in all aspects of its activity. Article 128§4 makes this consideration of "cultural aspects" a requirement which is all the more important given that such aspects remain very largely within the jurisdiction of the Member States, the latter being fully entitled to define their objectives and policies on this subject.

Article 128§4 thus increases the need for the Community legislator to reconcile the Treaty's various objectives when adopting a measure, and this requirement has certainly been implemented during the Community's history, with considerations specific to cultural policies being given due regard in the drawing-up of Community texts, for example those founding a common policy or providing the means for establishing and operating the internal market. However, with the entry into force of the Treaty on European Union, this requirement becomes compulsory and systematic, in respect of both legislative texts and common policies.

In order to gauge the reality and the implications of the provisions of Article 128§4, as well as the prospects these offer for development of the Community's cultural action, the Commission announced, in the above mentioned Communication, that a report would be drawn

up on the cultural dimension of Community policies, this report being intended for distribution to the Parliament, Council and Committee of Regions. Moreover, the Commission had also announced that internal measures would be finalised, enabling cultural requirements to be taken into account when defining and implementing Community policies with implications for the field of culture.

This report, therefore, does not relate to the Community's cultural actions based on Article 128, namely the Kaleidoscope programme (artistic events), which entered into force in March 1996, the Ariane programme (books and reading) and the Raphael programme (heritage) currently being studied by the institutions.

3. Methodology of the report on 128§4

An examination of the way in which the various Community policies and texts have taken or take cultural aspects into account (the subject of this report) naturally depends on how Culture is defined. In point of fact, the concept of Culture is a nebulous one which can vary from one school of thought to another, from one society to another and from one era to another. It may include the Fine Arts, literature, etc., but may also include all types of knowledge and features which characterise a society and make it possible to understand the world.

A cultural area is "a space within which the association of certain cultural features is dominant" (F. Braudel). This approach can be seen again in the definition of Culture formulated at Unesco's world conference on cultural policies: "*culture consists of all distinctive, spiritual and material, intellectual and emotional features which characterise a society or social group*" (Mexico 1982).

The scope of this definition gives a good impression of the problems involved in drawing up this report since, on this basis, the entire European structure, the Treaties themselves and all the texts they have generated may be regarded as cultural expression and works. On the contrary, to restrict "cultural aspects" to only the traditional components of what it has been agreed to term "cultural policy" (heritage, the live arts, literature, etc.) might mean that important parameters involved in the formation of cultures are disregarded.

Given that it is not for an institution to define the content of the concept of culture, this report (which cannot claim to be exhaustive) has adopted a pragmatic approach and, within the limits inherent in this approach, seeks to answer the following four questions:

- *Which Community texts and policies have taken and take cultural matters into account, which ones have had and may have an impact in cultural areas, and which have acquired a cultural dimension?*

- *In texts or policies of the above type, how have the objectives pursued and objectives of a cultural nature been reconciled? To what extent have cultural aspects been taken into account?*

- *Have the guidelines implemented and decisions taken at Community level consolidated, adversely affected or weakened cultural-policy guidelines and decisions implemented and taken at regional or national level?*

- What forthcoming deadlines are there which particularly require "cultural aspects" to be taken into account?

Having set the scene, this report examines the ways and means of responding to the new tasks assigned to the Community by the Treaty on European Union within the cultural field, particularly by proposing a way of taking cultural aspects into account when drawing up texts and defining and implementing policies which may have an impact in the cultural field, while respecting subsidiarity and the cultural diversities of the Member States.

**REPORT ON THE CONSIDERATION OF CULTURAL ASPECTS
IN EUROPEAN COMMUNITY ACTION**

(Article 128.4 of the EC Treaty)

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PART I : CULTURE AND THE SINGLE MARKET - REGULATORY ASPECTS

This part is an examination of how cultural aspects are taken into account in drawing up Community law, its aim being to analyse how the Community has reconciled the Union's general objectives with cultural considerations which may sometimes be out of step with the legal obligations deriving from implementation of the Treaty.

The priority of this examination has been to tackle topics directly affecting the cultural sector in the principal areas of Community law: the four fundamental liberties of the Treaty: freedom of movement of people, goods, services and capital, copyright, taxation, competition policy, the movement of cultural assets. Consideration has been given to derived Community law texts and the possible role of the decisions of the Court of Justice in the preparation of these texts has been clarified. Moreover, it was thought useful to conduct a census of the principal judgments showing how the Court has arbitrated in the various cases which have included a cultural dimension.

Each chapter in this part includes an evaluation of the degree of consideration given to cultural aspects and an indication of the principal points of convergence in the future, when such considerations will be necessary. In effect, it should be emphasized that virtually all the texts and judgments examined relate to the time before the introduction of Article 128 into the Treaty on European Union.

- Chapter I : FREEDOM OF MOVEMENT AND PROFESSIONALS IN THE CULTURAL SECTOR
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CHAPTER I: FREEDOM OF MOVEMENT AND PROFESSIONALS IN THE CULTURAL SECTOR

Community citizens are free to move between Member States or to stay in a Member State other than that in which they reside. In particular, this right of abode allows any Community citizen¹ to seek and carry on paid or unpaid work, regardless of the field of activity envisaged. Professionals in the cultural sector receive full benefit from the fundamental Community principle of the freedom of movement of people.

1/ The principles

* Freedom of movement for workers (Article 48 et seq. of the EC Treaty)

Freedom of movement of workers, referred to in Article 48 of the EC Treaty, entails the abolition of any discrimination based on nationality as regards employment, remuneration and other conditions of work.

However, for reasons of public order, public safety and public health, certain limitations are possible. Moreover, the legislator has included a reservation concerning employment in the public service (Art. 48.4).

The Court of Justice of the European Communities has had the occasion to express an opinion on the notion of employment in the public service and regarded this exception as concerning only employment which includes direct or indirect participation in "the exercise of public power" or functions whose object is "to safeguard the general interests of the State" or of public authorities².

In the wake of this judgment, a number of Member States amended their regulations relating to the conditions of access to employment in the public service.

The sectors in the cultural field which have been most affected by this liberalisation are radio/television and state education.

* Freedom of movement of self-employed persons: the right of establishment (Art. 52 et seq. of the EC Treaty) and the freedom to provide services (Art. 59 et seq. of the EC Treaty)

The right of establishment presupposes the setting-up of a professional establishment, by way of principal or secondary activity, in a Member State other than the state of residence, in order to carry on a non-remunerated activity in that state.

The freedom to provide services presupposes the simple provision of a service for remuneration without the setting-up of a professional establishment of a permanent or long-term type.

¹Any person holding the nationality of one of the Member States

²Two judgments of 17.12.80 and 26.5.82, Commission c/Belgium

Just like the freedom of movement of workers, the right of establishment and the freedom to provide services may be restricted for reasons of public order, public safety and public health and do not, directly and specifically, include activities involved in the exercise of official-authority powers. The Court of Justice has also interpreted in a restrictive manner the exception deriving from the exercise of official-authority power by distinguishing the notion of activity from the notion of profession. Thus, the notion of participation in the exercise of official-authority power cannot constitute an obstacle to access to a profession as a whole³. Whether persons are self-employed or not, the laws of the Member States must first guarantee equality of treatment, i.e. they must prohibit any discrimination on the basis of nationality.

Moreover, restrictions which can be applied without distinction are also incompatible with these fundamental liberties recognised by the Treaty if they are not justified by a pressing reason of general interest which does not receive equivalent treatment in the country of establishment of the operator, if they are unsuitable for achieving the objective pursued and if they are excessive vis-à-vis the required objective (namely, if they can be replaced by less restricting measures).

Among the restrictions which are justified by objective considerations motivated by the general interest, certain imperatives have been recognised by the Court⁴.

2/ Flanking measures

The freedom of movement of self-employed persons or workers would not be fully operational were it not accompanied by the following complementary measures:

- mutual recognition of qualifications;
- coordination of laws, regulations and administrative provisions relating to access to and the carrying-on of activities of self-employed persons;
- coordination of the laws, regulations and administrative provisions relating to social security.

A number of sector-specific directives were adopted but they related essentially to the medical and paramedical professions.

In relation to the non-medical professions and of interest to the cultural sector is the following:

- the directive dated 10.6.85⁵, relating to architects and *"referring to the mutual recognition of diplomas, certificates and other qualifications in the field of architecture and including measures intended to facilitate the exercising of the right*

³"Reyners" judgment of the Court of Justice of the European Communities, dated 21.6.74

⁴ See Chapter VII, pages 24 to 27.

⁵ OJEC C223, 21.8.85

of establishment and of the freedom to provide services".

Subsequently, the Community institutions decided to dispense with the case-by-case method, replacing this with a general recognition system. To this end, two directives were adopted:

- the first one, dated 21.12.88 (in force from 1.1.91), aims to institute a system for recognition of diplomas from higher education whose duration is equal or equivalent to at least three years;
- the second, adopted on 24.7.92 (in force since 18.6.94), relates to studies lasting less than three years and to certificates of professional competence and certificates of competence issued within the context of secondary, general or vocational education.

These two directives have come into being only in the absence of a sector-specific directive and their aim is to facilitate the carrying-on of all professional activities which are subject, in the host state, to the possession of a qualification, i.e. the regulated professions.

This system is based on the principle of mutual trust. However, if major discrepancies between training systems exist (in respect of content and duration), the host state may impose compensation measures, either an adaptation stage or an aptitude test.

In February 1996, the Commission approved a report on the operation of the general system for recognition of higher-education diplomas, for the period 1991-94, in which it notes that this new system is operating satisfactorily.

In the cultural sector, in the vast majority of cases, the regulated professions are covered by the general system of recognition.

In France, for example, auctioneers, as a regulated profession, are covered by the general system of recognition. To this end, a directive dated 21.12.90 abolished the nationality condition.

As regards social security, a Community regulation dated 14.6.71, supplemented by a regulation dated 2.6.83, coordinates the various national systems which are applicable to self-employed persons or workers moving about within the Community. The Community regulation excludes "social and medical assistance" which is reserved for nationals. Cultural workers and artists moving within the Community are entirely covered by these regulations.

Given these various factors, it can be seen that the Community is constantly striving to make the freedom of movement of persons carrying on an economic activity fully effective and that this is applied satisfactorily to professionals involved in the cultural field.

Nevertheless, certain problems specific to such professionals have led Culture Ministers to consider the special context in which cultural professions are pursued, going so far as to evoke the idea of an artists' statute. Although the vast majority of Member States have indicated their interest as regards the situation of the artistic professions (direct taxation, social situation, etc.), they have insisted on the fact that they regarded these matters as falling under the

jurisdiction of the Member States and, at this stage, saw no justification for Community action, particularly on the grounds of the principle of subsidiarity⁶.

Within the general context of freedom of movement, the Commission has set up a "high-level working group on the freedom of movement of persons", whose task is to draw up a report, before the end of 1996, on all the problems (legal, administrative and practical) encountered by citizens in the exercise of their right to work and establishment in another Member State. On the basis, particularly, of Article 128§4, it will certainly pay great attention to the problems which appear to be of specific interest to the cultural sector.

⁶ Informal Antwerp Council, 19 and 20 September 1993

CHAPTER II: COPYRIGHT AND RELATED RIGHTS

There are both economic and cultural aspects to copyright, the former relating to the author's right to derive a financial advantage from the economic exploitation of his work, and the latter relating to the fact that they promote intellectual and artistic creation.

Generally speaking, copyright is defined as an exclusive right to exploit a literary, musical or artistic work and is made up of prerogatives of a patrimonial and moral nature.

In terms of patrimony, the copyright holder essentially benefits from two prerogatives: authorising the representation (direct communication to the public) or the reproduction of his work (physical embodiment of the work via any process).

The author also benefits from prerogatives pertaining to moral rights, such as the right to oppose any distortion of his work or the right to claim authorship of it, which are justified by the fact that the work is a reflection of the author's personality.

Related rights are rights similar to those of copyright which aim to protect certain artistic professions where a creative activity in the strict sense of the term is not pursued (such as interpreting or performing artists, record producers and broadcasting bodies).

The emergence of new technologies and the achievement of the internal market in 1992 have spurred the Community into action in this field.

1. Community acts

The Community's work in this field began with the adoption, in 1988, of a Green Paper on copyright and the technological challenge⁷ (which was essentially an economic analysis) but above all with the adoption, in 1990, of a working plan⁸ in which the Commission defines a new approach incorporating the dual cultural and economic nature of copyright. This new approach emphasizes, in particular, that any harmonisation of copyright and related rights must take place on the basis of an increased level of protection, owing to the fact that they are essential to cultural creativity and the fact that their protection makes it possible to guarantee maintenance and development of creativity in the interests of authors, the cultural industries, consumers and the community as a whole.

The Community, in effect, tended to strengthen copyright protection and other rights (upward harmonisation).

It should be emphasized that sensitivities specific to the cultural field led the Commission to embark on a number of consultations with professional circles before any harmonisation proposal.

⁷ COM(88) 172 final, 7.6.88

⁸ Following up the Green Paper, Commission working plan in the field of copyright and related rights. COM(90)584 final, dated 17.1.91

Up to the present time, a number of directives aimed not only at a high and effective level of protection, but also offering a legal framework favourable to the development of intellectual and artistic creativity, have been adopted.

Currently, these directives form the first basic layer of measures defining a high degree of protection, at Community level, in the field of copyright and related rights.

The directives adopted are as follows:

1. Directive relating to the legal protection of computer programmes, dated 14.5.91⁹

The aim of this directive is to grant copyright protection to computer programs, in any form, as literary works. It defines those who should benefit from the protected article, the exclusive rights of the protected persons to authorise or prohibit certain acts, and the duration of protection (a duration of 50 years increased to 70 years by the "duration" directive mentioned below).

2. Directive relating to the right to hire and to lend and to certain rights similar to copyright in the field of intellectual property, dated 19.11.92¹⁰

This directive provides, on the one hand, for the exclusive rights to hire and to lend works protected by copyright, for certain groups of titleholders (authors, interpreting or performing artistes, record producers and film producers) and, on the other hand, rights of embodiment, reproduction, distribution, broadcasting and communication to the public in the field of protection of related rights.

3. Directive relating to the coordination of certain rules in respect of copyright and rights related to copyright which are applicable to satellite broadcasting and cable retransmission, dated 27.9.93¹¹

In the field of intellectual property, this directive supplements the directive dated 3.10.89 ("Television without Frontiers")¹² and aims to harmonise the legal framework of the single audiovisual area by, on the one hand, establishing the principle of the contractual acquisition of satellite communication rights in a single place and, on the other hand, that of collective management for the negotiation of cable retransmission rights.

⁹ 91/250 OJEC L 122/42, of 17 May 1991

¹⁰ 92/100/EEC. OJEC No. L 346/61, dated 27.11.92

¹¹ 93/83/EEC. OJEC No. L 248/15, dated 6.10.93

¹² Directive 89/552/EEC aimed at the coordination of certain laws, regulations and administrative provisions of the Member States which relate to the carrying-on of TV broadcasting activities. OJEC No. L 298, dated 17.10.89

4. Directive relating to the harmonisation of the duration of protection of copyright and certain related rights, dated 29.10.93¹³

This directive harmonises the duration of copyright protection over a period of 70 years after the author's death or 70 years after the work has been lawfully made accessible to the public. The duration of protection for related rights is 50 years after the operative event.

5. Proposal for a directive relating to the legal protection of databases

This proposal was the subject of a joint Council position on 10.7.95 and aims to harmonise the copyright applicable to databases of any type (electronic or non-electronic). It also establishes a new economic right (right *sui generis*) to protect the financial and professional investment of a database manufacturer, thereby giving him the opportunity to prevent the unauthorised extraction and/or re-use of all or of a substantial part of the contents of the database.

2. Evolution

The Commission is pursuing its work on other topics related to intellectual property and mentioned in its 1991 "Work Programme" (*cf. supra*), such as the private copying of sound and audiovisual works, the right to follow property, reproduction, collective management and, finally, moral rights.

Moreover, on 19.7.95, the Commission adopted a Green Paper¹⁴ on copyright and related rights in the Information Society so as to generate general consideration of whether, in this context, further legislative initiatives are required in the following fields:

- applicable law
- exhaustion of rights
- the right of reproduction
- communication to the public
- dissemination and digital broadcasting rights
- moral rights
- the exploitation of rights
- systems for identifying and protecting works

In the light of these various developments, it can be seen that Community action, within the context of the internal market, in the field of copyright and related rights, has not been to the detriment of cultural interests but, on the contrary, has guaranteed a high and effective degree of protection for intellectual and artistic creation.

As regards topics still to be tackled, the Community will endeavour, as it has done hitherto, to maintain this high level of protection.

¹³ 93/98/EEC. OJEC No. L 290/9, dated 24.11.93

¹⁴ COM (95) 382 final

CHAPTER III : TAXATION

The achievement of the single market and the abolition of intra-Community taxation and customs barriers that this involved have led the Community to substantially modify the turnover taxation rules applicable to intra-Community acquisitions and to bring the rates of VAT and excise duty in force in each Member State more into alignment.

On 1 January 1993, the Community established a transitional stage intended to bring indirect taxes into line¹⁵. This stage makes it possible to move towards progressive convergence of rates of VAT and excise duty in force in the various Member States. To this end, on 19 October 1992¹⁶, the Community adopted a directive amending Directive 77/388¹⁷. In accordance with this text, the Member States may have recourse to only two categories of rates, a reduced rate which may not be less than 5% and a normal rate which may not be less than 15%¹⁸. This directive also provides for temporary exemption from the general system and a list of goods and services to which a reduced rate may be applied.

For taxable persons, the transitional system thus set up maintains the principle of taxation of goods in the country of consumption whilst permitting the abolition of border controls.

As regards the definitive taxation system, which should be based on the principle of taxation in the country of origin, the Commission will submit its basic ideas for the establishment of the definitive system, together with a possible timetable for its implementation during 1996.

1. Community acts

A - Cultural goods and services are liable to VAT. It should be emphasized that the European legislator has given Member States the facility to apply the reduced rate of VAT (to the majority of these goods and services), in order, in particular, to promote artistic and intellectual creativity and access to culture.

The reduced rate of VAT is thus applicable to:

¹⁵ECOFIN Council, dated 18.12.89

¹⁶Directive 92/77/EEC OJEC No. L 384/47, dated 31.10.92, relating to VAT simplification measures

¹⁷Sixth Council directive, dated 17.5.77, OJEC No. L145/1, of 13.6.77, relating to the harmonisation of the laws of the Member States relating to turnover taxes

¹⁸The Commission has recently submitted a proposal for a directive amending Directive 77/388/EEC relating to the common VAT system (level of the normal rate). This proposal makes provision for keeping the normal rate of VAT within the following band: minimum rate of 15% and maximum rate of 25%.

- books and magazines
- copyright and related rights
- cultural events and exhibitions
- cinema, museum, concert-hall and theatre tickets
- television services (public fee, subscription)

On the other hand, the normal rate of VAT applies to other cultural goods and services, such as:

- records,
 - audio cassettes,
 - video cassettes,
 - CD Roms and CDIs
- and also
- conservation and restoration work on monuments.

Finally, provision has been made for a number of exemptions up to 1997 for those States which, on 1 January 1991, were applying rates below the reduced rate of VAT:

Belgium : rate of 0% for daily papers and periodicals,

Denmark : 0% rate for daily papers,

Ireland : 0% rate for books,

France : 2.1% rate on some printed matter and books,

United Kingdom : 0% rate on books, daily papers and periodicals.

B - On 14 February 1994, the Council supplemented this mechanism with a directive relating to secondhand goods, *works of art, antiques and collections*. This directive, which came into force on 1 January 1995, relates to goods which are the subject of multiple transactions and which, given that at each stage of the transaction they generate fiscal revenue, could give rise to a risk of dual taxation between Member States.

The essential elements of this new system may be summarised as follows:

1. Private sales are not subject to VAT.
2. For professionals, the principle of taxation is that VAT is charged on the vendor's margin (difference between the price at which the vendor bought the goods and the price at which he resells them), in order to avoid cumulative taxation. Sales at public auctions organised by auctioneers benefit from the same provisions.
3. The rate of VAT on the resale margin is the normal rate of the Member State in question (at least 15%). In the case of sales made directly by the artists or their heirs, a reduced rate may be applied and is that of the Member State in question (at least 5%).

As regards applicable taxation rates, the following factors have been taken into account:

- the cultural interest: certain goods or services of special cultural interest can benefit from the reduced rate of VAT.
- The Member States can apply the reduced rate particularly to works of art, collections or antiques. By way of temporary derogation (up to 30.6.99), the United Kingdom can apply a specific rate of 2.5% to certain of these imports.
- The risks of part of the art market moving to third countries: modifications in the levels of taxes and charges applied in the Community should not, in effect, lead to certain transactions moving to third countries nor to distortions in treatment between imports and operations within the Community.
- increased third-country competition: any modification of the level of taxes and charges applied in the Community risks giving rise to a flight of transactions towards third countries owing to the great sensitivity of the art market and the high unit price of the goods exchanged;
- competition between the Member States: not all the Member States have the same system for taxing works of art, for example the United Kingdom has a special system enabling it to exempt imported works of art, antiques and collections from VAT provided they were produced before 1973.

2. The current debate

Establishing the Community's indirect taxation system has taken account, apparently, of the specific cultural nature of certain goods and services by giving all the Member States the possibility of applying a reduced rate.

As regards sales of records, cassettes, CD ROM and CDI, European professional circles (video and multimedia publishers, record producers, etc.) argue in favour of including these goods in the list of goods and services which are able to benefit from the reduced rate, for the following reasons:

- the application of different rates (5 and 15% minima) between, on the one hand, cinema and television and, on the other hand, video, creates distortion of competition to the detriment of video, although these are simply different methods of transmitting the same films or programmes;
- video and multimedia supports are new means of dissemination and access to culture which should be encouraged.

Professional circles are therefore asking the Community to expand the list of "reduced rates" to cover video cassettes, multimedia supports and disks, with a view to establishing the definitive of VAT system.

Currently, the majority of the Member States appear unwilling to approve such a reduction in the rate of VAT. To date, the Commission has received formal notification of only two requests for revision along such lines. Since the application of a reduced rate of VAT is

optional, it should be emphasized that any expansion of the field of application of the reduced rate risks leading to a multiplication of the differences between the laws of the Member States and, consequently, giving rise to considerable deflection of trade.

Moreover, delimitation in the area of indirect taxation of goods and services likely to benefit from a reduced rate can be envisaged only on the basis of one of the following criteria:

- either the actual nature of the goods or services, in which case the applicable rate is independent of the cultural nature of the goods or services (the case of books nowadays illustrates this question of arbitration between the reduced rate and the normal rate);
- or the cultural content of the goods or services, which then requires differences in treatment to come into operation within one and the same category of goods and services, to the detriment of the simplicity of the taxation system. Moreover, the distinction between cultural activity and leisure activity is particularly difficult to establish.

Finally, if the principle of neutrality of the tax on the various dissemination means and supports has effectively to be guaranteed, its application presupposes that identical provisions will be applied to identical situations.

As regards conservation and restoration work on monuments, owing to their importance in dissemination and providing access to culture for the European citizen, a reduced rate has also been requested by non-governmental organisations active in the heritage field. However, given the nature and the character of these items, it is noted that the existence of different rates in the various Member States does not appear significantly to disrupt the functioning of the internal market (no risks of deflection of trade)¹⁹.

The Commission's report on the application of reduced rates, for the initial years of implementation of the 1992 directive, concluded that, at the moment, there was no distortion of competition nor deflection of trade to justify adding cultural goods and/or services to the reduced-rate list²⁰.

¹⁹ At the Council of Culture Ministers (informal meeting at Würzburg, 1993), the Ministers had an initial exchange of views on this question.

²⁰ Commission report to the Council in accordance with Articles 12§4 and 28§2.g, of the Sixth VAT Directive (COM (94) 584).

CHAPTER IV: COMPETITION POLICY

Competition policy plays a significant role in promoting harmonious development of economic activities, continuous and balanced expansion, increased stability and accelerated improvement in the standard of living in the Community. Therefore, it contributes to guaranteeing the efficient functioning of the internal market, while promoting the protection of consumers, workers and employers.

This policy includes:

- *rules applying to undertakings (Articles 85 et seq. of the Treaty)*: the following are therefore prohibited - on the one hand, all agreements between undertakings, and associations of undertakings, which may affect trade between Member States and which have as their object or effect the prevention, restriction or distortion of competition within the internal market and, on the other hand, any abuse of a dominant position (Article 86).

Nevertheless, under certain very specific conditions, the Treaty makes provision for an exception to this principle of prohibition by authorising certain agreements between undertakings²¹.

Moreover, it should be recalled that, on 21.12.89, the Council adopted a regulation (4069/89) relating to the monitoring of regrouping operations between companies. Under this regulation, the Commission was empowered to monitor "Community-wide" regrouping operations. According to Article 3 thereof, regrouping is understood to mean "the possibility of exerting a decisive influence on the activity of a company" (mergers, etc.).

- *rules applying to the States and particularly to aids granted by the States (Articles 92 et seq. of the Treaty)*: the following are regarded as incompatible with the common market - aids which would affect trade between the States and which distort or threaten to distort competition by favouring certain firms or certain products.

However, the principle of incompatibility of State aids with the internal market is far from being absolute. Article 92, in effect, makes provision for types of aid which are compatible or may be regarded as compatible with the common market.

Article 128§4 notes a specific point of correspondence with Article 92§3d insofar as the latter makes provision for the following to be regarded as compatible with the common market, namely "*aid intended to promote culture and the conservation of heritage when it does not adversely affect the conditions of trade and competition within the Community to an extent detrimental to the common interest*".

²¹Article 85.3 of the Treaty makes provision for an exemption to be granted in the case of agreements which fulfil the following four conditions:

- if they contribute to improving production or distribution,
- if they promote technical or economic progress,
- if they allow consumers a fair share of the resulting benefit,
- if they do not impose restrictions which are not indispensable to the attainment of the objectives of the agreement.

If cultural goods and services exhibit special features which are recognized as such, the cultural sector, in its economic aspects, is subject to the rules of competition as are the other sectors. It is therefore necessary, for this sector also, to guarantee that competition is not distorted and that the provision of aid out of proportion to the cultural aims pursued is avoided.

The Commission's competition policy has taken into account and continues to take into account features specific to the field of culture. In this context, this policy makes it possible to provide suitable support for the cultural actions of the Member States. In effect, the Commission has a record of having authorised State aids intended to promote culture and heritage conservation, while ensuring compliance with the fundamental rules of the internal market and of competition.

I/ Rules of competition applying to undertakings

In the cultural field, these rules of competition relate more particularly to the publishing and audiovisual sector.

A/The publishing sector

1. The current situation

As regards books and, more particularly, conventional systems for fixing book prices, the Commission has always striven to adopt a pragmatic attitude in cases submitted to it, given the specific nature of books and owing to the introduction into the Treaty of the new Article 128, referring to culture. However, the Commission must be vigilant and ensure that the rules of the Treaty, and particularly Article 85, are complied with.

To date, the Commission has been advised of four exemption requests and has refused two (VBVB/VBBB and NBA cases). The first decision was confirmed by the Court of Justice and the second was confirmed as regards aspect 85.1 (ban on understandings), but rejected as regards the application of Article 85.3 (exemption). In the other cases and again in the NBA case, the Commission, which has to carry out an economic and legal analysis, is still studying the possibility of whether or not to grant an exemption.

Moreover, it should be remembered that the legislative systems for fixing book prices are subject to the rules relating to the free movement of goods (Article 30 et seq.).

To date, only two Member States (France and Spain) have drawn up a regulation of this type. Although the Spanish regulation has not proved to be incompatible with Community law, the French regulation has had to be modified in order to conform to Community rules.

2. The current debate

Within a Community context subject to much debate, in which publishers, booksellers, readers/consumers appear divided, the Commission, after in-depth analysis of the general problem of book prices, arrived at the conclusion that it is currently inappropriate to submit a proposal on the restriction of book prices. Moreover, it pointed out that, culturally speaking, the question of book prices is only one factor to be taken into account in seeking and

implementing a global policy in favour of books and reading. Such a policy must be aimed both at encouraging a wide readership, based on a diversified supply, the guarantee of genuine access to culture, as well as supporting creation and maintaining a productive publishing sector. In addition, the dynamic nature of the book sector also depends on other factors, such as promotion, education, training, regional development measures, etc.

B/ The audiovisual sector

Articles 85 and 86 of the Treaty were not designed to protect pluralism in the media or any other objective of a cultural nature. However, the Commission has been skilful in using the legal instruments at its disposal as regards competition to indirectly guarantee the maintenance of market competition structures and to contribute to the diversity of the programmes offered to the public.

A few cases can be used to illustrate the Commission's desire to monitor strict application of the rules of competition while taking account, particularly, of their effects on pluralism:

*The MSG Media Service in which the Commission prohibited the setting-up of a joint venture between major groups such as Bertelsmann and Deutsche Bundespost Telekom, on the basis that such a joint venture would have the result of cutting off access to the German pay-TV market and thus limit access to the market for rival suppliers;

*The case of Nordic Satellite Distribution in which a comparable result was obtained by means of a refusal on the part of the Commission;

*the Holland Media Group (HMG) in which the Commission required the parties (in particular RTL4 and RTL5, as well as the VERONICA channel) to seek appropriate measures to guarantee that the Dutch market would remain open to rival suppliers.

The Commission also gave a ruling in its communication of 21.2.90 on the importance given to respect for pluralism in the media sector.

Therefore, it was stated that Community audiovisual policy must also aim to ensure that the development of the audiovisual sector does not take place to the detriment of pluralism but, on the contrary, that it makes a contribution to strengthening the latter by favouring, in particular, the diversity of the programmes offered to the public.

However, respect for pluralism has not been the sole preoccupation in this area, since the Commission has also handed down several decisions stating that access to major events, including cultural events, must be ensured in order to guarantee public access to information. Therefore, by way of example, the MGM/UA case may be mentioned, in which the Commission examined whether, on the basis of Articles 85 and 86 of the Treaty, the exclusive rights granted were or were not excessive in this sphere.

However, this consideration of cultural aspects is limited owing to the nature of the rules of competition. It is thus unlikely that protection of a cultural objective can, on its own, constitute the basis for an individual exemption. However, it should be noted that other criteria not expressly mentioned in Article 85-3 have already been taken into account by the Commission, namely the social criterion in the case of the restructuring of cartels in crisis (eg.

decisions relating to the agreement on synthetic fibres 89/340) or, more recently, in connection with environmental protection. It is not, therefore, totally out of the question that cultural criteria may, in the future, be directly considered by the Commission, although the principal objective of the internal market will not be questioned.

II/ Policy relating to State subsidies in the cultural field

A/ Aid to the cultural sector

The present situation

The Commission has adopted a series of decisions clarifying its position as regards subsidies to culture. Thus, the promotion of cultural diversity has been accepted as justification for the support granted, particularly to the plastic arts and book exports.

Generally speaking, aid to the cultural sector poses virtually no problem from the competition-policy standpoint. However, the Commission has had to oppose such aid, not on account of its nature but because the conditions under which it has been granted are often contrary to the fundamental principles of the European Community. This was the case, for example, with aid systems contravening the fundamental principle of non-discrimination on the basis of nationality, decreed in new Article 6 of the TEU, citizens of the Member States having, in effect, to benefit from the same treatment as those from the country granting the aid. For example, the Commission has rejected a condition imposed by the German government, under which the producer of a film receiving aid must be a German citizen or a person from a German culture.

The current debate

As a result of the inclusion of Article 128 in the Treaty and the provision relating to aid to culture (Art.92.3.d), and in order to provide further clarifications, the Commission has begun to consider the possibility of adopting guidelines in the field. On this basis, certain types of aid granted to activities which do not distort competition and do not significantly affect trade between Member States (theatres, art galleries, etc.) could be authorised without restriction insofar as they are offered to all the potential beneficiaries in the Member State in question.

B/ Aid to the audiovisual sector

Television and film production subsidies

The Member States promote the development of their audiovisual industries in various ways, particularly through direct grants for specific film productions, tax incentives for investment in companies in this sector, funding of training and support for film festivals. Such measures are generally consistent, as regards their objectives, with the Community's own audiovisual policy, which seeks, *inter alia*, to promote the competitiveness of the European programmes industry.

Support measures may be local, regional or national. Insofar as they do not distort competition

or affect trade between Member States to any significant extent, Article 92 of the Treaty establishing the European Community, which provides rules for aid granted by States, does not apply and the Commission has no cause to intervene.

However, as economic players on the relevant market frequently find themselves in competition, certain aid measures for the film and television production sectors may have an appreciable effect on competition and trade between Member States. Already in the past, the promotion of cultural diversity has been accepted by the Commission as a justification for state aid to the film industry and the production of television programmes, provided the aid did not cause undue distortion of competition.

The Treaty on European Union, in Article 3 (p), provides that "The Community shall contribute to the flowering of the cultures of the Member States". In application of this principle, Article 92 (3) (d) was included in the EC Treaty together with Article 128. However, this does not necessarily imply a fundamental shift in policy. Article 92 (3) provides that aid to promote culture and heritage conservation, where such aid does not affect trading conditions and competition in the Community to an extent that is contrary to the common interest, may be regarded as compatible with the common market. The Commission had already taken such consideration into account when assessing aid in this sector. In its future assessment of state aid to the audiovisual sector, the Commission will continue to seek a balance between the requirements of cultural and heritage promotion, the openness of trade and competition in the single market and the need to avoid undue distortions.

Funding of public service broadcasters

Under the rules of state aid, the specific question of the funding of public service broadcasters has been submitted to the Commission by private broadcasters from France, Spain and Portugal. The complaints are that public funding of public broadcasters through consumer levies, direct subsidies or periodic capital injections confer unfair advantages on them. The issue is of great importance and interest throughout the Community. The Commission has asked external consultants to study the balance between the funding of public broadcasters by the State. The Commission will consider the cases pending in the light of this study (which also includes the new Member States).

Guidelines

To further clarify its policy in this field the Commission is currently working on guidelines on state aid for culture, the arts and the audiovisual sector in which it confirms its favourable approach to aid for television programmes and film production, including videos and musical recordings, as long as the aid is shown to be necessary for the promotion and/or the preservation of European culture and is proportional to these goals. Moreover, the Commission will verify that there is no discrimination on grounds of nationality between nationals of Member States of the European Union and no impediments to the free flow of goods, services, people and ideas throughout the European Union.

Where cultural considerations are paramount, the Commission will adopt a favourable approach to support of cultural heritage by means of subsidies for the distribution of television programmes, videos, etc. The Commission believes that public service broadcasters have a

crucial role to play in the promotion of regional, national and European cultures and the flowering of Europe's audiovisual industry. The Commission is conscious that the function of the public service is to supply the population with information, education, culture and entertainment as well as sports. The Commission is in favour of the development of both public- service and commercial broadcasters. It will seek to strike the right balance to attain this dual objective.

Conclusions

Article 92 (3)(d) takes specific account of cultural objectives. The European film and television programme production and distribution industries represent an important part of the European cultural landscape. The promotion of cultural diversity is accepted by the Commission as a justification for state aid to the film industry and the production of television programmes, provided the aid does not cause undue distortions of competition.

CHAPTER V : CULTURAL ASSETS IN THE INTERNAL MARKET

Freedom of movement, a fundamental principle of the EC Treaty and a condition for the achievement of the Single Market, also relates to cultural assets. The provisions relating to this subject in the Treaty (and particularly Arts. 9, 10, 12 et seq. - customs duties - and Articles 30 to 34 - quantitative restrictions, etc.) are thus applicable to them.

Nevertheless, the principle of the free movement of cultural assets must be reconciled with the legitimate protection of our countries' cultural heritage and, more particularly, of their national treasures.

Also, in Article 36 of the Treaty, provision is made for the Member States to be able to avoid the provisions of Arts. 30 to 34 by adopting or maintaining prohibitions, restrictions or measures having equivalent effect on the import, export or transit within the Community of national treasures having an artistic, historic or archaeological value²².

Article 36 is an exception to the principle of freedom of movement provided by the provisions of the article and must therefore be interpreted severely. Within the limits set by Community law, each Member State is, in principle, empowered to determine the requirements intended to ensure the objectives referred to in Article 36, in this case the definition of national treasures on its territory. It may do this in the manner it has chosen and according to its scale of values, provided this scale is set at a reasonable level and is of such a nature as to reconcile protection of heritage and freedom of movement.

²² It should be noted that a provision similar to Art. 36 is provided in the rule which, since 1970, has established a common system in the Community regarding exports to third countries (rule 2609/69, Art. 11). Thus, the exception provided in Art. 36 in respect of intra-Community trade also applies to exports to third countries. These restrictions on trade do not conflict with the GATT rules (Art. 20, same reference to national treasures).

The power given to the Member States under Art. 36, however, is not arbitrary. It must take into account the major principles enumerated by Community law for its application, which is controlled by the Community institutions.

I. Problems relating to the definition of the notion of national treasures and cultural assets

The notion of national treasures is not easy to define and it is difficult, at the moment, to pinpoint common criteria for determining the scope of this notion.

The laws and practices of the Member States are an ill-matched assortment, this fact being explained by divergent interests and cultural traditions.

It is possible to distinguish two major trends in the interpretation of the notion of national treasure:

- An extensive interpretation applying to countries which export cultural assets and which have a rich heritage of which there is rarely a comprehensive record;
- A restrictive interpretation applying to countries which import cultural assets and are poorer in terms of heritage, and where the major art markets are usually located.

The difficulty involved in defining the setting of the notion of cultural assets, gives rise to a problem when determining, in an international or Community context, the scope and extent of reciprocal obligations between countries aimed at cooperation with a view to protecting such assets²³.

II. Community flanking measures relating to cultural assets and achievement of the single market

The achievement of the single market required the abolition, from 1 January 1993, of all intra-Community border controls, an obligation to which there is no exception, regardless of the product in question.

Also, regarding cultural assets, the Member States retain, on the one hand, by virtue of and within the limits of Article 36, the right to define their national treasures and, on the other hand, the possibility of taking the necessary measures to ensure protection of such treasures. However, they may no longer have recourse to internal border controls to guarantee the effectiveness of these measures.

²³ This problem has been a stumbling block in negotiations on the principal texts or conventions aimed at cooperation regarding the protection of assets or the prevention of illegal trade (1970: Unesco Convention relating to the measures to be taken to prevent the importation, exportation and illegal transfer of ownership of cultural assets. 1985: Council of Europe - European Convention on offences relating to cultural assets. 1980 and following years: *Unidroit* work on stolen or illegally exported cultural assets. 1995: *Unidroit Convention* on the international return of stolen or illegally exported cultural assets.

In this context, the Community has thus chosen to take measures to prevent the abolition of frontiers from having an adverse effect on the protection of national treasures.

In effect, effective protection of the "national treasures" of the 12, subsequently 15, Member States requires, within the single market (without internal border controls), each Member State to make a contribution to the protection of the national treasures of the other states.

In this connection, it is essential for each Member State to control the export of national treasures outside the Community, not only its own treasures but also those belonging to other Member States and which could initially be on its territory owing to the abolition of internal border controls. Such is the objective of the rule relating to the export of cultural assets, No. 3911 of 9.12.92.

Moreover, although the concept of a common Community heritage does not exist at this stage, the fact that a cultural asset is located in one Member State and not in another remains a determining factor.

The Member States want a guarantee that cultural assets which rank as national treasures and which have been illegally removed from their territory will be returned, and it is the objective of the second Community flanking measure after 1 January 1993 (the directive relating to the return of cultural assets which have illegally left the territory of a Member State, No. 1993/7/EEC of 15 March 1993) that the Member State on whose territory the asset is located should ensure its return to the territory of the country from which it was illegally removed. The "return" directive aims to permit the restoration, to its territory, of the heritage of a Member State by creating, between the countries of the Union, by means of an appeal through the Courts, an obligation to return assets. The field and conditions of application of this obligation are delimited in precise terms.

In the absence of an agreement on a mechanism of "mutual recognition" of the definitions of national treasure, the approach adopted in these two instruments has been to create, between the Member States, mutual, but at this stage limited, obligations to guarantee Community protection for a common core of cultural assets. Such protection is in addition to the existing, and thus divergent, internal protection measures subsisting after 1992 but whose efficacy is regarded as diminished on account of the abolition of internal border controls. This is to ensure a satisfactory degree of protection at Community level for this common core (which is likely to cover most if not all national treasures), while respecting the fundamental principles of freedom of movement and security of transactions. This "core" has been defined in the joint annex to the above mentioned rule and directive.

Among the vast number of assets, the annex draws up a list of common categories of cultural assets determined in conjunction with experts (criteria: nature of the asset, age, value), this list constituting a definition of the categories of assets to which the Member States are currently prepared to extend the scope of their obligations in order to cooperate with a view to protecting their respective heritage. Therefore it does not define national treasures within the meaning of Art. 36, a definition which remains the prerogative of the Member States. Cultural assets which rank as national treasures could in this way escape the field covered by the joint annex to the directive and the rule.

Although the context of the annex to the two instruments (the list of categories of assets) is

common both to the rule and to the directive, the field of application is not exactly identical.

Thus, in the customs field, all the cultural assets cited in the annex (whether ranked as national treasures or not) are covered by the obligation to submit an export licence in support of the SAD²⁴. In effect, the quality or otherwise of national treasures and of cultural assets covered by the annex is not a relevant control criterion for the customs authorities.

Other differences of detail may be mentioned, particularly those relating to the exception provided for archaeological assets of minor importance.

On the other hand, the return action provided for in the directive is initiated only in respect of assets which rank as national treasures within the meaning of Article 36 and not in respect of all cultural assets in the annex's categories. The physical field of application of the directive is thus precisely delimited.

The agreement on the greater or lesser extent of the annex's categories was at the centre of the debate. The result is a political compromise which may, by its very nature, be improved upon. The political sensitivity of the subject has led our institutions to lay down that any modification of the annex should be subject to the procedure provided in Art. 100A of the Treaty.

III. How the debate currently stands

1. Existing Community measures (rule and directive)

The Commission will use the national reports provided by the Member States as the basis for the first triennial report, which it will submit as required by these two instruments, in order to take stock of the problems encountered and of the need, if any, to adapt these two measures.

Moreover, the Commission, without awaiting the abovementioned triennial report, has been led to submit a proposal for a modification on a specific point: that of the classification of water-colour and gouache works in the joint annex to the rule and the directive (19.10.95, COM (95) 479 final).

2. Administrative cooperation in respect of cultural assets outside the specific context of the rule and the directive

Cultural assets were recently included in the IDA programme (telematic network between administrations) which was approved in November 1995 (Council decision 95/468/EC) and aims to facilitate exchanges of information between administrations. Moreover, within the framework of the 4th outline research programme, the Commission is cofinancing a project entitled GRASP, the objective of which is to develop cooperation between the police forces of the 15 Member States using a telematic system for recording lost or stolen objects.

²⁴ SAD : Single administrative document

Cooperation in respect of illegal trade within the context of internal lawsuits (police cooperation, III pillar)

The topic of police cooperation in the field of illegal trade in works of art is dealt with in this specific context.

3. Cooperation between cultural administrations and other competent authorities in the Member States

Generally speaking, development of cooperation between cultural administrations and other competent authorities in the Member States at Community level is the way forward in protecting cultural assets which rank as national treasures in the Union.

Given that this is a highly complex subject, it is important to avoid any duplication and to arrange for existing Community tools and measures to be put to full use. On the basis of the instruments progressively set up and of evaluations of their functioning (*cf.* triennial report), it may be possible progressively to identify any new requirements in terms of administrative cooperation.

In compliance with the principle of subsidiarity and of the jurisdiction granted to it by the Treaty, the Community will endeavour to encourage and supplement the efforts undertaken by the competent authorities of the Member States and, in particular, cultural administrations, in order to give the optimum response to these requirements and to succeed in providing, at a future date, optimum protection of the Union's cultural heritage.

CHAPTER VI : TRADITIONAL AND REGIONAL AGRICULTURAL PRODUCE

The provisions of the Treaty relating to agriculture, and the Common Agricultural Policy (CAP) in particular, do not relate to cultural aspects.

Nevertheless, agricultural activities do have an inherent cultural nature, given that agriculture has been one of the driving forces of civilisation for thousands of years.

Agriculture has also influenced the regional development, landscapes and environment of Europe in general.

The European Community must ensure respect for the cultural diversity of the Member States and their regions. In Europe, local or regional *savoir-faire* has generated a very wide variety of traditional products which are part of the cultural identity of the locality or region from which they originate.

The achievement of the single market has made it possible to offer such produce a wider market, but the Community has had to intervene to guarantee the protection of the local identity of these products. In this sense, it is possible to state that, in the agricultural sphere, the Community has taken account of cultural aspects in its control action.

Two initiatives have been involved in working towards the preservation of traditional agricultural produce or products linked to a geographical origin:

- the regulation (No. 2081/92) relating to the protection of geographical ascriptions and registered designations of origin for agricultural products and foodstuffs;
- the regulation (No. 2082/92) relating to attestations of the specific nature of agricultural products and foodstuffs.

The two regulations have a joint objective: on the one hand, to highlight the specific nature of certain products in terms of the traditional manner in which they are manufactured or of their origin and, on the other hand, to protect the consumer from unfair practices and infringements.

Owing to the homogeneity of the protection systems in the Member States, regulation 2081/92 gives definitions which are essential in the field of geographical names. It distinguishes those geographical ascriptions and registered designations of origin which denote products which are closely associated with the region whose name they bear.

Regulation 2089/92 aims to enhance the typical and traditional character of products by means of an attestation as to their specific qualities.

The cultural impact of these texts thus lies in the enhancement of a locality and in the protection of local *savoir-faire* or of a traditional method of manufacture.

Mention should also be made of the creation, in November 1994, of a logo specifically designed for agricultural produce from ultraperipheral regions (French overseas *départements*,

Canary Islands, the Azores and Madeira), with the intention of promoting high-quality agricultural produce which are specific to these regions.

Moreover, there are significant cultural aspects involved in several CAP-supported sectors. For example the cultivation of the olive tree and the production of olive oil are an integral part of the Mediterranean regions' cultural heritage.

It should also be noted that the European Commission's proposals regarding reform of the joint organisation of the wine market (COM 94-117) takes the importance of this sector into account in environmental and cultural terms, while respecting the diversity and the traditions of wine production in the European Union.

Moreover, in the context of flanking measures for the 1992 reform of the CAP, EEC Regulation No. 2078/92 relates to agricultural production measures which are compatible with the conditions required for the protection and preservation of the rural environment.

Programmes which have been the subject of an agreement with the Member States within the context of this measure may include significant cultural aspects, i.e. the conservation of traditional and historical landscapes. The programme for the Bolzano alpine region (Italy), for example, is aimed at encouraging extensive pasture land and the preservation of alpine cultivation methods. The measures include a subsidy for the preservation of traditional landscapes.

In the United Kingdom, the "Country Stewardship Scheme" is one of the measures which have been approved in the context of EEC Regulation 2078/92, and it aims to preserve, maintain or restore specific types of landscape with a particular natural beauty, diversity of fauna and/or historical or leisure value, with reference to practices for maintaining traditional agricultural production methods.

CHAPTER VII : CULTURE IN THE JUDGMENTS OF THE COURT OF JUSTICE

I AN ANALYSIS OF THE COURT'S DECISIONS

With regards to the exceptions to the freedom of movements of goods, persons and the freedom to provide services, the Court of Justice makes a very clear distinction between discriminatory and non-discriminatory measures. Discriminatory measures are not compatible with Community law unless they can find an derogatory disposition as in Articles 36, 56, and 66.

However, an examination of the decisions of the Court reveals that the latter, in a restrictive interpretation of Articles 36, 48 (Paragraph 3), 56 and 66 of the Treaty, appreciably limits any consideration of the notion of cultural interest under the heading of public order²⁵.

In effect, the Court adopts a strict definition of the notion of public order since recourse to this justification presupposes, according to the Court, "the existence of a serious threat affecting a fundamental interest of society²⁶".

Moreover, even when the basic conditions set forth by this judgment are fulfilled, the Court imposes a strict proportionality condition since, "as an exception to a fundamental principle of the Treaty, Article 56 must be interpreted in such a way that its effects are limited to what is necessary for the protection of the interests it aims to guarantee".

This restrictive approach allows one to assume that the Court will reject any justification of a cultural nature based on the notion of public order.

Nevertheless, a degree of protection has been recognised in respect of specific cultural features through judicial law-making based on pressing reasons of general interest as regards solely non-discriminatory measures based on nationality.

In this way, the Court's decision in the field of the free movement of services bears witness to this openness to cultural policy objectives which are not fundamentally discriminatory.

In its "Mediawet²⁷" judgments, the Court acknowledged "*that a cultural policy*" may constitute a pressing reason of general interest justifying a restriction of the freedom to provide services and the "*upholding of the pluralist freedom of expression of the various social, cultural, religious and philosophical components in a country*".

Similarly, it is permissible to consider the special nature of certain provisions of services

²⁵Judgment dated 16.12.92 Commission c/Belgium, 211/91

²⁶ Judgement dated 27.10.77 Bouchereau, 30/77

²⁷Judgment dated 25.07.91, Mediawet, 353/89 and 288/89.

involving specific requirements in order to guarantee the protection of an artist²⁸.

In the so-called "Tour Guide"²⁹ cases, "*the preservation and enhancement of the national artistic and historical heritage*" were acknowledged as pressing reasons of general interest capable of justifying a restriction on the free movement of services.

Also in the field of the freedom of movement of workers, the Court was again sensitive to the specific needs involved in seeking to preserve cultural identity. This may be illustrated by the Groener³⁰ judgment in which it replied that "the provisions of the Treaty do not oppose the adoption of a policy to defend and *promote the language* of a Member State which is both the national language and the first official language".

Finally, the Court's same desire to preserve cultural diversity may be seen in the field of the free movement of goods. Therefore, in the Cinéthèque judgment³¹, the Court decided that a national system which, "with a view to *encouraging the creation of cinematographic works* without distinction of origin, aims to restrict dissemination of these works to performances in cinemas for a limited initial period", is pursuing an objective which is justified under Community law.

Similarly in the B & Q³² judgement, concerning "Sunday closure" of the shops, the Court of Justice confirmed that the Member States had the choice to implement this right, whilst taking into account the regional and national socio-cultural particularities, as well as respecting the demands derived from Community law.

This pressing reason may be described, to take up the conclusions of Advocate-General Van Gerven in the C-17/92³³ case, generally speaking, as "the protection, development and dissemination of the cultural heritage specific to a Member State or to a region of a Member State in a "*pluralist*" context and as an "*component of a cultural heritage common to the Member States*".

However, the Court has clearly placed a number of restrictions on such recognition.

Therefore, it has established that pressing reasons of this type cannot justify curbs which are unsuitable for achieving the objective pursued or go beyond what is objectively necessary to attain the required goal.

²⁸Judgment dated 18.01.79, Van Wesemael, 110/78

²⁹Judgment dated 26.02.91, Tour Guides, 154/89

³⁰Judgment dated 28.11.89 Groener, 379/87

³¹Judgment dated 11.07.85, Cinéthèque, 60 and 61/84

³²Judgment dated 16.12.92, B & Q, 169/91

³³Judgement dated 04.05.93, Fédicine/Spain, 17/92

The Court has also limited the scope of these pressing reasons insofar as there must be disparities between the Member States which are not regulated or are insufficiently regulated by a harmonisation measure or by the application of the principle of mutual recognition.

Moreover, it has clearly indicated that culture cannot be used as a disguise for economic protectionism vis-à-vis the other Member States. Therefore, by way of example, the Commission/Belgium judgment dated 16.12.92³⁴ may be mentioned. In this, the Court rejects the cultural considerations invoked by the Belgian government insofar as they "actually aim to reduce effective competition on domestic companies, in order to preserve the advertising income of the latter".

However, this restrictive approach does not preclude the Court being able to accept the existence of the secondary economic effects of such regulations, as it has already done in the health sector in the "Omroep Organisatie"³⁵ case, in which it is accepted that a "national regulation justified by objective circumstances in response to the needs of the interests in question may make it possible, in addition, to achieve further objectives of an economic nature".

It is thus not the Court's intention to deny the fact that the promotion of cultural objectives is often dependent on economic factors, but it seeks, rather, to prevent the Member States from using this notion essentially for economic policy ends. The balance of these decisions is thus more in the sense of an evaluation of the "principal/secondary" effects of a national cultural measure.

As regards the latter limit, namely the non-discriminatory nature of the measure, the decisions, as apparently confirmed by a whole series of judgments (for example, the Mediawet judgments, and the Commission/Belgium judgment), appear *a priori* very strict. However, the Court will probably have to clarify its decisions on this point.

Finally, it should be noted that most of these judgments were handed down while the Maastricht Treaty and, more particularly, its Article 128, were not yet in force. This is thus only judicial law-making on the part of the Court which had to hand down a decision, despite the absence of a specific legal basis, on the cultural motives of the Member States. Since the significance of the principle of cultural diversity has been acknowledged in the Treaty on European Union, the question now is how this new provision will be able to be reflected in the decisions.

The first judgments (Piageme judgment and Bosman judgment³⁶), in which Article 128 was invoked, clearly demonstrate that the Court intends there to be no discussion of its traditional law-making practice and has made reference to the fact that this tradition should not be used

³⁴Judgement dated 16.12.92, Commission/Belgium, 211/91

³⁵Judgement dated 06.10.87, Omroep Organisatie Nertsvoedderfabriek, 118/86

³⁶Judgement dated 12.10.95, Piageme, 85/94
Judgement dated 15.12.95, Bosman, 415/93

by the Member States to circumvent an existing Community regulation. Therefore, it also arises from these judgments that Article 128 can in no way influence the scope of the fundamental liberties recognised by the Treaty nor the jurisdiction which the Community may have under the terms of other provisions of the Treaty. The only obligation lies, in Paragraph 4 of Article 128, in the need to take account of the cultural aspects of its action. As in the field of the environment, the Court will have to clarify the scope of this obligation.

II. CULTURE IN THE SUPPORT ACTIONS UNDERTAKEN BY THE COMMUNITY

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PART II : CULTURE AND THE COMMUNITY'S INTERNAL POLICIES

Part II aims to identify the various activities undertaken by the Commission which have a cultural dimension to them, either directly or indirectly. This "review" will, for the first time, play a part in providing an overall view of the Community's commitment to cultural matters. It aims to bring out the experience acquired, to make actions which already exist more effective and also to determine the fields in which the Community would be capable of improving its approach by developing better synergy between the actions being implemented.

An analysis of the cultural component in Community policies will centre around the following four areas of action:

- I. Culture, cohesion and balanced regional development
- II. Culture, social policy and human resources
- III. Culture and advanced technologies
- IV. Culture and other internal policies (environment, tourism, research, SMEs)

CHAPTER I : CULTURE, COHESION AND BALANCED REGIONAL DEVELOPMENT

The social and economic cohesion policy launched on the basis of Article 130A et seq. of the EC Treaty to permit balanced development within the Single European Market is now, with over 30% of the Community budget, one of the European Union's major policies. Financed out of Community structural funds, it is to enable underprivileged regions to reduce the development gap separating them from the developed regions.

Action covered by the Community structural funds (European Regional Development Fund, European Social Fund, EAGGF-Guidance, IFOP) concentrates on three priority areas:

- aid to regions which are lagging behind in development (objective 1),
- aid for the reconversion of regions affected by industrial development (objective 2),
- aid for the preservation and development of sensitive rural areas (objective 5b)

An additional area of concentration (known as "objective 6") has supplemented this mechanism since the most recent expansion of the Union and it relates to the aid given to the Nordic regions which have a low population density.

All these objectives account for 80% of cohesion policy credits (which represent 165 billion ECUs for the 1994-1999 period), favouring geographical areas which are eligible for the structural fund action.

Three principal types of programmes can be distinguished:

- operational programmes implemented in the form of a partnership between the European Commission, the States and the regions (90% of structural funds)
- "Community initiatives" (9%), conducted at the initiative of the Commission

- "innovative actions" (1%)

These programmes are aimed at economic and social development and relate to the cultural sphere insofar as cultural activities may be involved in a policy for enhancing regional or local resources and an economic development strategy. They represent potential employment sources.

For the last few years, the trend has been for an increase in the intensity of these activities, which has been linked, above all, to socio-economic changes, to the significance of policies for developing heritage and the craft sphere, and motivation of the local social fabric.

I. Cultural and regional programmes

A) Aid to regions which are lagging behind in terms of development (objective

1) concerns regions whose gross domestic product is less than 75% of the Community average. It accounts for 96 billion ECUs for the 1994-99 period (+ 166 million ECUs for Austria for the period between 1995 and 1999). The areas which are eligible in objective 1 terms were selected by the Council of the European Union in 1993 and they cover 27% of the Union's population. The actions financed within this framework were presented by national governments as an integral part of a development strategy and were later negotiated and adopted by the European Commission.

Support from the Commission for the regional development operations of each Member State is the subject of a "single programming document".

This document comprises the objectives and the strategic areas of concentration of the structural fund action for the zones in question. The Member States then propose *operational programmes* to the Commission, with a view to defining objectives. These *operational programmes* specify the objectives, the nature and the financing of the actions implemented.

An examination of the 75 *operational programmes* adopted for the 1994-99 period reveals that 11 of them include subsidiary programmes which expressly refer to interventions in the cultural field (culture, heritage, arts).

It should not be concluded that the 64 other *operational programmes* include no action of a cultural nature. What is meant is merely that, in these operational programmes, the arts or heritage are not adopted as objectives or identified means of regional development.

The 11 *operational programmes* which include, amongst other operations, interventions of a cultural nature represent 12.5% of the budget for the 75 *operational programmes* as a whole.

By way of illustration, the Commission has adopted an operational programme to develop the islands in the north of the Aegean Sea, which comprises five principal areas of concentration (tourism, agricultural and industrial activities, rural development, human resources and local development). The first "tourism development" area provides for the encouragement of alternative tourism activities (watersports, for example), the consolidation of means of transport and telecommunication, and enhancement of the islands' cultural and archaeological

heritage. This area accounts for 38 million ECUs in Community credits, i.e. 18% of the credits allocated by the Community to implementing this operational programme.

Within the context of these operational programmes there is a wide variety of actions relating to the cultural field. Some of them are aimed at the direct financing of cultural facilities (creation of cultural centres or theatres, for example, in rural areas). Others consist of flanking measures for enhancing heritage assets (development of open spaces or pedestrianised areas around sites or monuments, sign-posting, etc.) or local *savoir-faire* (production and sale of traditional crafts).

B) Aid for reconversion of regions affected by industrial decline (objective 2) concerns regions with an industrial tradition where levels of unemployment and industrial employment are above the European average. These regions cover some 17% of the population of the Union and are to receive 15.3 billion ECUs over the current structural fund programming period, supplemented by 444 million ECUs in aid for the period from 1995 to 1996 for the 3 new Member States of the Union.

The principal objective of aid for the reconversion of these regions is to develop economic activities which will create jobs.

In outline, in this context, the "cultural dimension" relates to three principal areas:

- culture as a component of employment and training;
- the remodelling of the "natural" environment which is thus, in this case, not posed as a problem of conservation/enhancement of the pre-existing situation in terms of "heritage" (industrial wasteland, etc.);
- rehabilitation of buildings, be these places of work (industrial buildings, factories, etc.) or dwellings (workers' housing estates, etc.).

1. The example of the Lowry Centre:

- This is the construction of a cultural centre for the visual arts (Greater Manchester, Lancashire and Cheshire region) at a provisional total cost of 71.8 million ECUs, 12.1 million ECUs of which is a Community contribution ($\pm 17\%$).

The anticipated effects of this project are the creation of approximately 6,500 jobs in the sectors of commerce, tourism and leisure. In addition to the fact that the centre will attract professionals (performers in shows, concerts, etc.), it is anticipated that the centre will receive approximately 700,000 visitors each year. This project will be implemented on the basis of a partnership associating professionals in the field of commerce, from the world of the arts, from a university, from continuing-education bodies, from the tourism industry and environmental agencies. This project includes the development of local infrastructures (access roads, tram systems, inland waterways) and the improvement of water quality.

2. The example of Basse-Normandie :

- Two employment basins (Cherbourg and Caen) are eligible under objective 2 for the period from 1994 to 1996 (Community contribution of 57.8 million ECUs). The Cherbourg basin has already benefited from the intervention of structural funds in the case of objective 2, between 1989 and 1993, and from the Community's RENAVAL initiative programme. In 1993, the Cherbourg basin benefited from the KONVER initiative. - These two employment basins thus receive aid aimed at supporting strategies which are differentiated in terms of the assets of each area: in Caen, the objective is to halt the industrial decline caused by the closure of the steelworks and, in Cherbourg, the aim is to increase the diversification of subcontracting activities which were highly dependent

on the nuclear and shipbuilding sectors. In both cases, the role of the basins as ports must be built up.

- To this end, three priority areas have been defined:

Area 1 : Support for regional undertakings and for the training of the workforce (common area) - (13.72 million ECUs);

Area 2 : Reindustrialisation of the Caen basin (25.92 million ECUs), subarea 2.3 ("Diversification of economic activity") of which is aimed at "collective actions to promote the craft sphere and services [...]. Setting-up of tourist facilities and enhancement of the cultural and architectural heritage with a view to increasing the number of tourists attracted to the Caen area". (2.59 million ECUs, i.e. 10%).

Area 3 : Continuation of reconversion of the Cherbourg employment basin (17.53 million ECUs), subarea 3-5 ("Touristic diversification of the employment basin") of which is aimed at "lodging structures, the naval complex, pleasure facilities, the cultural heritage" : (7.0 million ECUs, i.e. ± 40%).

On the basis of a study of approximately twenty objective 2 regions, representing a quarter of the total amount allocated to the eligible regions, of which the above two examples are an illustration, it is possible to estimate the share for the 3 areas which, to varying degrees, include a "cultural dimension", at some 14%. A detailed analysis of the actions which correspond to this 14% reveals that approximately only one third concern interventions of a cultural nature. The other two thirds represent measures aimed at integration, and the development of industrial zones and sites with only a tenuous link to the cultural field.

Thus, the share of objective 2 financing intended for cultural or culturally oriented operations may be estimated at approximately 4% of total financing.

3) Aid for the preservation and development of fragile rural areas (objective 5b) concerns those regions which are covered by two of the following criteria: a high level of agricultural employment, low agricultural income and low population density. These regions cover 8% of the Union's population and will receive 7 billion ECUs in aid up to 1999.

The splitting of objective 5 into two distinct subgroups, namely area a) which relates to the adaptation of agricultural and fisheries structures, and area b) which relates to rural areas, reflects the trend for greater distinction between the concepts of rural and agricultural, and is also reflected in the evolution of Community policies. In parallel, a diagnosis centred on the reduction in the agricultural population (which called for a policy to combat the drift to the towns) has been progressively replaced by the idea of a risk of "desertification" in certain regions, this calling for a more global policy to combat the abandonment of areas of territory and being based on endogenous development factors. One of the consequences of this evolution has been the extension of the "cultural" role into rural development, both in the field of analysis and in specific projects.

In this connection, it should be noted that, even if the EAGGF-Guarantee finances, albeit very marginally given the size of the amounts in question, a number of (non-regionalised) actions to promote certain agricultural products such as olive oil, it is essentially the EAGGF-Guidance (particularly on the basis of its Article 8) which, together with the other two structural funds (ESF and ERDF), plays a part in the implementation of projects which include a cultural dimension within the context of objective 5b zones.

A study of the distribution of Community allocations in respect of "objective 5b" to each priority development area reveals that, for the 1994-99 period, 7.9% of credits have been allocated to local development and to village renewal (i.e. 532.8 million ECUs at current 1994-95 prices) and 12.3% (831.3 million ECUs) have been allocated to tourism, areas which include cultural-type measures. Out of this total, which is of the order of 227 million ECUs per annum, only a part is allocated to "cultural" matters, this latter aspect also covering specific conceptual approaches other than those referred to previously.

Actions which may directly or indirectly be described as cultural include:

- In the "tourism" area there are explicit references to heritage or cultural elements such as, for example, "the restoration of canals", "enhancement of culture and rural heritage", and "tourist schemes, local studies, regional promotion".
- In environmental terms, there are projects relating to "enhancement and protection of natural spaces" or "the management of space", "the development of landscapes" and "the safeguarding and management of fauna and flora, rehabilitation and management of biotops, protection of aquatic environments".
- Finally, cultural aspects are present under the heading of the improvement of lifestyle, such as "the rehabilitation and enhancement of buildings", "the improvement of facilities and village renovation" or "the development and requalification of urban sites".

Given the great diversity of the cases in point (the regions eligible under objective 5b represent approximately 1/3 of Community territory), it is difficult to give an idea of the precise impact of such financing. In this connection, it would be interesting in the future to define a number of test zones which have opted to concentrate on "cultural" matters as a factor in balanced regional development.

In effect, despite their diverse physical conditions (climate, etc.), types of land use, but also their diverse wealth of heritage, these regions have in common the fact that they have space and can thus exploit this "resource" by developing new usage assets with a high development potential, such as "green tourism", "nature circuits", "parks and nature reserves", etc., which are all opportunities for enhancing what has come to be called the natural heritage.

Beyond this, further "identifying" assets are being consolidated - these may be based on linguistic factors, lifestyles, architecture, etc. - around which artistic or cultural creations may develop.

The cultural dimension in policies promoting sustainable development in vulnerable rural areas should be given greater weight, since it may be a privileged means in the implementation of alternative activities and in the development of investment to create local jobs. This approach may also constitute a response to the increasingly present concern to protect the environment.

II. COMMUNITY INITIATIVE PROGRAMMES WITH A REGIONAL AIM AND CULTURE

CIPs (Community Initiative Programmes) are specific instruments of structural policy which the Commission proposes to the Member States on its own initiative. It represents 9% of the structural funds (i.e. 13.45 billion ECUs for the period 1994-99). Thirteen initiatives have therefore been adopted for the 1994-99 period, 8 of which come under a balanced regional development approach.

These initiatives are a contribution to the achievement of the major objectives of structural policies for 1994-99.

1) Aid for transborder cooperation (INTERREG II) is a programme allocated 1.9 billion ECUs for the 1994-99 period.

From 1989-93, culture appears to have been of minor importance in transborder cooperation (both inside and outside), the major part of funds having been allocated to "heavy" infrastructures works. However, some of the initiatives financed within this context include aspects to which culture is applicable:

- The Spain/Portugal programme (1990-93) concerned over half Portuguese territory and a portion of the Spanish regions of Galicia, Castilla and León, Extremadura and Andalucía, i.e. approximately 6 million people. The Community allocated 410.82 million ECUs (out of a total cost of 592.83 million ECUs).

The principal areas of concentration were the improvement of communications (76.4% of the allocation), the strengthening of links between towns and the coordinated management of natural, cultural and environmental riches.

The development of nature parks and reserves was financed under this latter heading.

- The Belgian (West Flanders)/France (Nord-Pas-de-Calais) programme, conducted between 1991 and 1993 (28.33 million ECUs which included an EC contribution of 13.87 million ECUs), included a large proportion (40.2%) being allocated to "enhancement of the tourist heritage", this being closely linked to environmental aspects (20.6%) such as the effort to combat erosion of coastal dunes. Within the context of the projects adopted, which draw their inspiration from a transborder strategy, a campaign to promote Flemish lace may, for example, be noted.

For the 1994-99 programming period, we can estimate that the cultural dimension will probably represent only 1% of the total allocation, i.e. approximately 3 million ECUs per annum. These amounts are to finance actions linked to forms of "cultural cooperation" or arising from the promotion of "tourism and agro-tourism", or "rural development".

2) Aid to the ultraperipheral regions (REGIS II) aims to enable these zones to participate fully in transnational cooperation networks.

This programme is allocated 600 million ECUs for the 1994-99 period. The regions concerned (Guadeloupe, Guyana, Martinique and Réunion in the case of the French overseas territories, the Azores and Madeira in the case of Portugal, and the Canary Islands in the case of Spain) must submit their applications for assistance in the form of operational programmes or global subsidies.

The measures eligible under REGIS II centre around 5 principal areas.

"Tourism", under "diversification of economic activities", covers "investment aid linked to the development of a "discovery" tourism outside areas frequented by tourists, such development being better integrated into the local fabric and not endangering biologically fragile zones (e.g. self-catering accommodation, family-run hotels, tourism development linked to the creation or to the development of natural parks, forest and tropical river circuits, hiking routes and the enhancement of buildings and local cultures).

The aid allocated under the REGIS initiative can be granted only for investments linked to the development of "discovery" tourism which includes enhancement of buildings and local

cultures. This is thus not a cultural action expressly based on enhancement of these highly specific cultures.

3) The LEADER II programme ("Links between rural economy development actions") is aimed essentially (90%) at objective 1 and objective 5b regions. This initiative follows on from the LEADER I programme (1991-93) and has been allocated 1,400 million ECUs for the period 1994 to 1999, 900 million ECUs of which are for objective 1 regions. Emphasis is placed on the innovative and demonstrative nature of the rural development actions, the latter being implemented either by "Local Action Groups" (LAG, already defined in LEADER I) or by more institutional players (local communities, chambers of commerce or of agriculture, etc.) around a set of local development topics.

The SPARC (South Pembrokeshire Partnership for Action with Rural Communities, "Local Action Group" under the LEADER I programme) project is an example of an initiative aimed at redeveloping a rural region in South Wales on the basis of essentially cultural assets. The region is very underprivileged, its standard of living being 70% below the Community average.

The principle of this project is to encourage the entire population to take action on "what should be done", enabling each of the 35 communities present to make progress towards achievements which concern them all.

The first vector for these cultural initiatives was the redevelopment of all footpaths linking these villages, i.e. almost 80 kilometres of paths.

Under this first initiative, rehabilitation of the rural landscape was what was really at stake. All the villages began to take an interest in the renovation of their own heritage, the maintenance of rural properties, ancient buildings and rural equipment.

A number of monuments benefited from this action: a medieval hospice (Llangollen Medieval Hospice), an ancient brewery, etc.

Moreover, an annual festival was launched, devoted to the staging of Welsh cultural works.

This first initiative was followed by another, the protection of the Welsh language. However, this protection is not sought for its own sake, the intention being to generate better knowledge of local society.

Thus, 300 projects were started up, the sum being approximately £2.5 million, of which one fifth was financed by the LEADER I programme. Nearly 3,000 people offered their services as volunteers to run these associations and, subsequently, the projects undertaken.

These initiatives, particularly when based on cultural elements, have changed the logic behind regional development in a rural area, which is increasingly centred on the "quality of life" and the active participation of the local population. It is thus in this connection that the LEADER II initiative includes the promotion of regional identities (including linguistic aspects), the preservation and enhancement of cultural heritage and the organisation of cultural activities.

4) Community initiatives promoting the reconversion of single-industry areas

The European enterprise, which, at its inception, was based on the iron and steel and coal sectors, progressively moved away from the sector-specific approach until the sectors which largely formed the basis for European industrial development entered into crisis in the 1980s. At the Community's initiative, therefore, aid was set up for the reconversion of those regions most affected by the crisis in the "traditional" sectors, with the RESIDER I programme in 1988 (reconversion of iron and steel zones), the RECHAR I programme in 1989 (coal-mining areas), the RETEX programme in 1992 (textiles/clothing), the KONVER programme in 1993 (military and defence activities), and, finally, the PESCA programme in 1994 (fisheries sector).

These programmes were adopted on dates which were staggered over time and thus do not cover the same programming periods and benefit from different overall budgets :

- After RESIDER I (1988-93), a new programme (RESIDER II, allocated 500 million ECUs) was adopted for 6 years (1994-99)
- RECHAR I (1989-93) was followed by RECHAR II (1994-97, 500 million ECUs)
- RETEX, adopted initially for 2 years (1992-93) has been extended up to 1999 (500 million ECUs)
- military reconversion projects undertaken at the request of the European Parliament in 1991 (PERIFERA I) and 1992 (PERIFERA II) resulted in KONVER, initially implemented for one year (1993) and then extended on a multiannual basis up to the end of 1997 (500 million ECUs)
- PESCA was adopted in 1994 for 5 years with an allocation of 250 million ECUs.

These Community initiatives are centred on a common objective which is the economic reconversion of these zones through the diversification of activities. Therefore, the types of measures eligible relate, on the one hand, to the revitalisation of the local economic fabric, particularly the promotion of new activities developed by the SMEs, and, on the other hand, to the adaptation of the labour force through aid to training and employment.

Besides these two main areas of concentration, it may be noted that the most long-standing Community initiatives have seen an expansion of the measures which are eligible, particularly in connection with the environment and tourism.

It is in these two latter areas that it is possible to discern actions which include a cultural dimension.

In RESIDER II (6 types of eligible measures) and in RECHAR II (7 types of eligible measures) and, to a lesser extent, KONVER (9 types of eligible measures), there are 2 measures which include a cultural dimension, namely "rehabilitation of the environment and economic reallocation of ancient industrial buildings" and "promotion of tourism, particularly industrial tourism".

In the case of RETEX, a single measure concerns "the development of industrial wastelands and the reconversion of disused factories, aid for the treatment of liquid effluent and other industrial waste products, and technical assistance for the institution of less polluting processes".

Finally, one of the PESCA subsidiary measures targets "the development of ports and investments for new activities (tourism, crafts)".

Once again, these are the elements already included in the aid granted under the terms of objective 2, perhaps supplemented by the fact that it is easier, here, to discern the relative absence of heritage conservation/preservation actions forming part of a flanking policy for these changes: in this connection, it could be imagined (for example in the fisheries sector) that "the virtually global chronic overcapacity of the fleets" which "forces a significant number of fishing vessels to be laid up¹ is compatible with aid aimed at the preservation/conservation/enhancement of ancient trades, boats, navigational or fishing instruments, etc."

¹Community initiative relating to the restructuring of the fisheries sector - (PESCA) - 94/C180/01

Finally, the share of aid allocated to the various eligible measures having (totally or partially) a cultural dimension appears to represent only a relatively small amount (of the order of 5 million ECUs/ year, i.e. 1.15%) of these Community initiatives insofar as all the other measures involve high levels of spending (infrastructures, community amenities, construction of new buildings, etc.).

III. ARTICLE 10 OF THE ERDF RULES

Besides structural fund interventions to promote programmes submitted by the Member States and Community initiative programmes, the ERDF, through Article 10, finances innovative pilot projects and studies to either directly or indirectly promote transfers of knowledge. This article is thus a financial instrument of the regional policies² which, for the 1995-99 period, allocates its fund of 395 million ECUs to the following four priorities:

1. Internal and external inter-regional cooperation (180 million ECUs)
2. Innovative regional development actions (90 million ECUs), with 3 areas of concentration:
 - Mobilisation of local endogenous potential
 - Technological and telematic development (information society)
 - Economic development and culture
3. Urban policy (80 million ECUs)
4. Regional development (45 million ECUs)

A large number of projects may include cultural or culturally oriented actions, such as inter-regional cooperation action or urban pilot projects.

As regards actions in the urban area, these were initiated during the 1989-93 period when 32 urban pilot projects were co-financed at Community level, for a figure of 101 million ECUs. One of the 4 topics was "the revitalisation of historical centres".

The example of Lisbon: the development of this project is based on technical studies financed under Article 10 of the ERDF. The objective of this project is the economic revitalisation of two historic districts of the city. The "Livramento Rampart" project includes the creation of a belvedere, a museum and craft workshops. The second initiative includes the renovation of the Pancas Palha Palace, a building in a state of advanced decay which will be home to a new centre for non-profit-making cultural and scientific bodies. One of these institutions will serve as a permanent monitoring centre for urban and regional studies.

On this occasion, construction techniques to improve the strength of buildings and their ability to withstand earthquakes will also be tested. A Community subsidy of 5.665 million ECUs is provided for this project, the Pancas Palha Palace section of which has already been completed. In addition to the renovation of historical monuments and the development of cultural activities, the anticipated result is an increase in local commercial and industrial activities.

Inter-regional cooperation actions conducted under Article 10 of the ERDF have concentrated on two programmes: RECITE (48 million ECUs, 36 inter-regional cooperation networks within the Union since 1990) and OVERTURE/ECOS, which were launched in 1991 (external

²Provided by Council Rule (EEC) No. 2052/88, relating to the aims of funds having a structural objective

decentralised cooperation programmes, 20 million ECUs each and 250 projects financed).

Within the context of European cooperation networks, the only project with a strong cultural connection is that on "Tourism in the Mediterranean" which, on the basis of the observation of a degree of decline in tourism in Mediterranean Europe, proposes to tackle this situation by building up water-sports-related tourism and cultural and rural tourism. The Community contribution to this project is 1 million ECUs (out of a total cost of 1.3 million ECUs).

In the case of water-sports-related tourism, the project is endeavouring to improve the 540 "small and medium-sized" marinas which have been listed, particularly through the creation of inter-regional circuits offered to tourists as "packages", but also through the development of inter-regional groupings using modern telematic and computing means enabling them to improve the operating conditions and promotion of this type of tourism.

As for rural and cultural tourism, little-known historical or cultural sites are to be improved in conjunction with inland areas which are often omitted from tourist brochures.

Still within the context of inter-regional cooperation actions, the PACTE programme (outside Article 10 of the ERDF) was launched in 1990 by the European Parliament. Initially composed of two distinct programmes, which were grouped together in 1994, PACTE has enabled regional communities to embark upon transnational cooperation through an exchange of experience involving at least 3 communities or bodies in different Member States.

1) The project conducted in 1992-93 in the "culture and development" field by the Aude Council (F), in partnership with the towns of Mytilini (GR), Anos Siros (GR), Torroella de Montgri (E) and Bologna (I), brought together communities which had lived through the phenomenon of heresy in the Middle Ages. Meetings related to methodologies drawn up to make use of the historical, natural or cultural heritage as an element in a region's economic development. The overall development experience of the Cathar region (Aude) served as a frame of reference for the exchange. By means of this example, the other partners were able to see how far it was possible to go in using heritage as an economic development tool.

The partners envisaged the twinning of their towns, the launching of joint actions aimed at exchanging skills and technical assistance in fields as diverse as the environment, historical research and product labelling.

2) Still in the field of "culture and development", the "TV REGIO - Audiovisual regional television area in Europe" project (1994-95), conducted by Midland TV (UK) brought a large number of partners together: Alsace (F), Piemonte (I), Rheinland Pfalz (D), Bornholm (DK), Norte (P), Valencia (E), Madrid (E), Cataluña (E), Lisboa and Vale de Tejo (P), Copenhagen (DK) and North Holland (NL).

This project, which brings together researchers and professionals in the mass-media sphere from many countries, is making it possible to set up a unique network of exchanges of programmes and ideas between the European regions with a view to making coproductions: transborder newspapers and magazines, documentaries, musical broadcasts. This network led to the production of a directory of regional television stations, a coproduction catalogue and newsletters. A training programme for journalists and a databank of regional broadcasts are currently being studied. This project is making it possible to give practical embodiment to inter-regional cooperation in a particularly innovative field.

"Culture and economic development" is still on the fringes when it comes to fields of inter-regional cooperation, currently standing at around 2%, far behind the other cooperation topics such as "public administration and regional management" (22%) or "economic development, employment and assistance for SMEs" (23%).

For the programming period from 1995-99, Article 10 of the ERDF regulation provides for the possibility of a maximum Community contribution of 600,000 ECUs per project, for financing culturally oriented economic development inter-regional cooperation pilot projects. A total amount of 15 million ECUs is provided over this period for financing this pilot action. The objective of these projects is "to strengthen economic and social cohesion by contributing to the establishment of networks between the regions and towns of the Union, on the basis of culture and the enhancement of regional and local cultural heritage, with a view to inter-regional cooperation and economic development".⁽¹⁾

The areas of cooperation covered are (list not exhaustive):

- historical and architectural heritage (urban, archaeological, religious, military, naval, etc.)
- industrial heritage (textiles, iron and steel, etc.)
- craft heritage (artistic trades, traditional trades, *savoir-faire*, etc.)

In total, besides the specifically cultural area which accounts for 15 million ECUs, the share for culture of the four priorities of Article 10 of the ERDF accounts for slightly more than 2 million ECUs per annum (instead of 1 million ECUs for the previous period).

Under these conditions, it would appear that the definition of a specifically cultural field in innovative regional development actions is a significant leap forward in both qualitative and quantitative terms, since the relative share of culture in these actions as a whole would increase from approximately 0.5% to some 6%.

⁽¹⁾ = Call for proposals for networks of regional and local authorities wishing to launch joint culturally oriented economic development inter-regional cooperation pilot projects under the terms of Article 10 of the ERDF - (95/38)

CHAPTER II : CULTURE, SOCIAL POLICY AND HUMAN RESOURCES

A structured and coherent action on the part of the Union must make a contribution to restoring a high level of employment, which is one of the objectives of the Treaty. Unemployment actually affects the foundation of our societies: in the Union, it affects nearly 20 million people, particularly the young. Owing to socio-economic changes, lifestyles and styles of consumption, assets which, in Europe, generate a particularly rich and diversified heritage, cultural activities represent an important source of jobs which should be exploited.

1. CULTURE, EMPLOYMENT AND SOCIAL COHESION

In addition to interventions under territorial objectives 1, 2 and 5b under the terms of which the ESF finances training actions in the field of culture, the economic and social cohesion policy is also implemented through ESF interventions under objectives 3 and 4. These are supplemented by the Community's two EMPLOI and ADAPT initiatives and, as regards innovative actions, Article 6 of the ESF's regulation. By means of the tests listed below, such interventions deal with or often include cultural aspects which by improving the human resources involved, make it possible to offset the risk of marginalisation.

Objective 3 aims to combat long-term unemployment, facilitate the entry of young people into the world of work and integrate those at risk of exclusion into the labour market.

Objective 4 aims to help workers adapt to industrial change and developments in production systems.

Such objectives account for 14 billion ECUs in the current 1994-99 programme.

With a budget of 1.4 billion ECUs, the Community's EMPLOI initiative is made up of three parts intended, together, to solve problems of exclusion on marginalisation in relation to the labour market.

The EMPLOI/NOW part supports the development of approaches and instruments which are both innovative and effective in terms of the vocational training and integration of women.

The EMPLOI/HORIZON part encourages the professional integration of disabled people and the underprivileged, to combat economic and social exclusion.

The EMPLOI/YOUTHSTART part supports projects to promote the entry into the world of work of young people without vocational qualifications, particularly those threatened with long-term unemployment and progressive exclusion from active society.

The Community's ADAPT initiative also receives 1.4 billion ECUs and has four interconnected objectives:

- to help workers adapt to industrial change
- to help businesses increase their level of competitiveness
- to prevent unemployment by improving workers' qualifications
- to facilitate the creation of new jobs and the implementation of new activities.

Those who benefit from the ADAPT initiative are mainly workers affected by industrial changes (those in work, those threatened with unemployment, those who have just lost their job in the wake of a business reorganisation, etc.).

During the 1989-93 period, the Community actively contributed to the setting-up of socio-professional reintegration policies favouring underprivileged groups, the long-term unemployed, unqualified youngsters, migrants and disabled people. One of the characteristics of actions implemented over these five years is that culture occupies a significant place in the vocational training actions.

This training may be aimed at young people who have already selected a direction in connection with cultural matters.

Example 1 - Training actions in the field of the enhancement of historical and artistic heritage in Italy

Actions of this type have increased in number in Italy, in different regions, particularly during 1993. Many young people have a qualification in the cultural field but experience difficulties in entering the world of work. The training actions which have been set up favour an economic and productive approach on the part of the artistic trades and relate to various spheres (publishing, museums, music, architectural restoration, etc.). The cultural dimension proves to be a valuable and motivating experience for the trainees.

The following may be mentioned among the initiatives which receive support:

- in Umbria, there is a course on restoring ancient books and training for operators working in museums. The placement rate is of the order of 100%;
- in Tuscany and in Emilia-Romagna, a range of training courses relating to the field of music, musical restoration (soundtracks of old films) and the theatre. The placement rate is approximately 80% in Tuscany;
- finally, in Venetia, where there is a great need for conservation of the artistic heritage, there are courses for technicians in architectural restoration. The placement rate is of the order of 80%.

In most cases, trainees on the above courses have found employment, either in public undertakings, or in private companies organising such courses or, most frequently, in cooperatives.

Example 2 - The Belfort area, the ESF and the professional integration of young artists

European "training nurseries" offer young artists the means for carrying out research and creative work over a 3- to 9-month period.

In addition to the physical facilities made available to them by the host town, such artists receive a grant from the "training nursery" association to enable them to complete their project and embark on a professional and cultural integration approach through their practical artistic work.

On the one hand, artists from the same discipline but of different nationalities exchange their experiences and different public-encounter actions are organised around the works produced (exhibitions, catalogues, publications, shows).

In 1993, the ESF supported this mechanism which promotes the professional integration of creative young people.

Other experiences supported by the European Social Fund (ESF) have a cultural dimension to them, not because they relate to artist training, but because expected results come under activities in cultural fields. These training courses are therefore aimed at young people who have problems in entering the job market owing to their lack of initial training/qualifications.

Example - The Escuelas-Talleres ("School-Workshops") and the Casas de Oficios ("Trade Centres")

The Escuelas-Talleres and the Casas de Oficios are public programmes managed by the National Employment Institute. The actions are intended for young people who have yet to finish their elementary education, something which prevents them from acquiring a vocational training.

The training courses alternate theoretical apprenticeship and work experience and incorporate advice and

guidance phases. Over a period of from 1 to 3 years, students receive training in public projects and in areas which have been identified as potential sources of employment by the White Paper on growth, competitiveness and employment, such as the rehabilitation of artistic, historical, cultural and urban heritage, environmental conservation (garden maintenance) and apprenticeship in craft trades.

The public bodies involved in these programmes in some cases taken on student workers from these school-workshops or trade centres, for work or services they manage.

This type of programme has already been implemented in other Member States under another name and could be applied throughout the Community.

Example - Construction of the "Batavia", a 16th century vessel, to integrate the unqualified, unemployed youngsters into the world of work (NL)

This project, financed under Objective 3, aimed to integrate unemployed youngsters into the world of work and employed about 50 apprentices a year between 1990 and 1995. They were organised into small groups led by a qualified worker. The work, mostly carpentry, enabled some 350 participants to obtain a qualification from their training course, with 224 of them going on to get jobs.

A third cultural dimension in social policies is that of culture as a privileged means of expression and affirmation for people in difficulty and thus as an aid to their integration, particularly into the labour market.

Example - The Blyth dramatic arts centre: developing the talents of the long-term unemployed

The project was aimed at creating an innovative concept combining practical training and expert individual evaluation, to respond to specific, long-term needs. Those involved were given the basic skills they lacked to enable them, subsequently, to embark on another training course.

Those running the project therefore took on people over 25 years of age who had been unemployed for longer than 17 months and whose special training needs had been recognised. Within the context of this training, participants had to take part in a group activity of community interest, in this case the preparation of a theatrical show, a type of work which was intended to develop their self-confidence, motivation and spirit of initiative, to perfect skills already acquired and to generate interest in acquiring further skills. Files were compiled by the participants during their training course, using methods adapted to their specific requirements, these files then being submitted for recognition to the Royal Society of Arts (RSA).

The second lesson gained from an analysis of the 1989-93 period is that culture has proved to be a promising sector in terms of job creation, and is thus well regarded in sectors acknowledged as potential sources of employment.

The difficulty lies in understanding the impact of culture on employment: we must therefore supply the cultural statistics.

Firstly, in relation to the production and dissemination of cultural statistics in each of the countries of the European Union, and the routes towards alignment which can be detected at European level, an exploratory study has been carried out which clarifies, on the basis of three principal methodological conventions, the field adopted for the definition of culture, the sources on which an evaluation of this field could be based, and the expected method of validation of these results.

As regards the definition of the cultural field, the following categories have been adopted, according to the UNESCO classification:

- Cultural heritage
- Printed works and literature
- Music and the entertainment arts

Visual arts
Audio and audiovisual media
Socio-cultural activities

The abundance of data available in most countries made it essential to define better those which could be adopted for long-term consideration at European-Union level. At this stage, therefore, those sources which were both national and recurrent in nature, and available, were listed. The results were validated by direct contact with the principal national collectors, on the basis of using the information submitted to them with a view to establishing a Community framework for reflection concentrating on three topics:

- assessment of public finances allocated to culture
- evaluation of the importance, in terms of employment, of the cultural sector and of its components
- knowledge of cultural practices

Secondly, greater knowledge of the importance of culture in Community policies is required, particularly on the basis of the "employment" and "free time" (of households) surveys conducted by Eurostat, and also the more systematic use of the data contained in the projects submitted within the context of the structural funds or of the Community employment initiatives.

There is therefore a need to develop and refine the tools for evaluating the cultural dimension in Community social policies based on the fact that the sector of leisure activities, art and culture in general nowadays probably employs as many people as the automobile industry and more than the clothing and footwear production sector ("Employment in Europe", report 1994).

Beyond existing employment, the Union has already embarked on active research, listing 17 "beacon sectors" of activity with greatest employment potential, including enhancement of cultural heritage, local cultural development and the audiovisual field, in respect of which it has instigated innovative actions (under Article 10 of the ERDF, *cf.* Chapter I of this part).

The aim of this series of innovative actions is twofold: to promote the drawing-up of local strategies or, preferably, supralocal strategies, and then pilot projects to support job creation based on local initiative. These actions will be based on an integrated development approach and on priority areas of action selected from the 17 sectors picked out by the "White Paper". At Community level, they are supplemented by more specific actions designed exclusively with the long-term unemployed in mind.

- An integrated development approach

This relates to implementing an action, to promote employment based on local initiative, which is integrated both in terms of instruments and in terms of partners. This integrated approach must be supported by a wide partnership base encompassing the principal government players and also the community sector and the private sector.

- Fields of action

These were selected from the "White Paper" and all relate to improving the quality of life.

They can be presented in the form of three subgroups:

- 1) - people-linked employment, including local audiovisual and cultural services;
- 2) - lifestyle-linked employment, including new forms of tourism;
- 3) - environment-linked employment, including the protection and maintenance of natural areas.

Eligible actions are necessarily organised into two continuous phases:

- the drawing-up of regional or local strategies to support the creation of jobs based on local initiative (duration: 8 months),
- pilot projects to support the structuring of a supply of services (duration: 16 months).

During this period, the selected participants also evaluate and publicise their actions.

Within the context of the active employment policies recommended by the "growth, competitiveness, employment" White Paper, encouragement for local development and employment initiatives (OJEC 265/3, 12.10.95) is undeniably an interesting component from the standpoint of cost/benefit analysis.

On the basis of the macroeconomic evaluation of the job-creation potential carried out in the case of three countries in the Union (France, United Kingdom and Germany), it is possible to assert that such a policy, which includes an obvious cultural dimension, is of such a type as to lead to an annual increase in employment in Europe of from 140,000 to 400,000 jobs, which is some 40% of the target for increasing growth in employment set by the White Paper in order to halve the present level of unemployment by the year 2000.

In the context of work to identify new areas of employment growth, the Community, in collaboration with the principal players concerned, implementing or financing several analysis and experience-exchange activities concentrating on the relationship between employment and culture. The following may be mentioned by way of example:

- under the LEDA (local employment development action) programme, the organisation of "subject workshops" on new employment opportunities in the cultural sector
- research/action on the economic impact and their contribution to employment in festival cities, to include 13 festivals in 5 Member States (Thessalonika and Heraklion in Greece; Spoleto, Pesaro and Turin in Italy; Wexford in Ireland; Edinburgh and Manchester in the UK; Avignon, Lorient and Bourges in France; and Graz and Salzburg in Austria)
- research/action on the economic impact and contribution to employment in museums (NEMUS), involving museum administrators from 20 towns and cities or regions in 7 Member States
- a study of the potential for creating "cultural" jobs in Southern Europe
- support for the "Making Must Work" conference organised with the Europadays scheme, meeting in May 1996 and involving 150 companies from all over the Union
- support for the "international cultural employment" project which is aimed at promoting the mobility of cultural workers
- support for the organisation of seminars devoted to the economics of culture (Perugia 1995, Temple Bar - Dublin 1994, Liverpool Institute of Performing Arts 1994, etc.)

Finally, it should be noted that the Community provides financial support (235,000 ECUs in 1995), together with the HELIOS II programme to help the disabled, for activities undertaken by disabled European artists in the cultural field.

2. CULTURE AND HUMAN RESOURCES

Although vocational training was included in the Treaty of Rome, it was the Maastricht Treaty which brought education within the jurisdiction of the European Union. The intervention of the Community in the field of vocational training developed during the 1980s with the launching of cooperation programmes between universities and between training institutes.

In 1993, the Commission's white paper on growth, competitiveness and employment highlighted the importance of the role played by education and training in transforming economic growth into jobs. This topic was then taken up in the White Paper on education and training drawn up by the Commission in 1995 (COM (95) 590, "Teach and learn - towards the cognitive society").

In order better to fulfil its role, the Union has, since 1995, reorganised and rationalised its education and training programmes, grouping them together principally under three programmes: "Socrates" (education) and "Leonardo" (vocational training) and "Youth of Europe".

The Socrates programme

Covering the period from 1995 to 1999 and allocated an overall budget of 850 million ECUs, this programme is based on the experience gained through ERASMUS, LINGUA and various previous pilot actions. It covers all levels of education, from pre-school to higher education, language learning, distance teaching and adult training as well as the promotion of exchanges of information and experiences in the field of education. Since culture and its diversity are essential components of educational content, culture underlies the majority of actions covered by the programme.

Its overall objective is to develop the European educational dimension in order to strengthen the feeling of European citizenship, relying on the cultural heritage of each Member State. This is reflected as much in the promotion of better knowledge of foreign languages, to promote the development of the intercultural dimension of teaching, improvement cooperation between firms, and the mobility of students and teachers, as in encouragement for the academic recognition of diplomas and periods of study, the promotion of exchanges of information and experiences, etc.

"Erasmus" and the intercultural dimension of education in higher education

The "Erasmus" action (1995 budget : 120 million ECUs), which relates to higher education, encourages, above all, the mobility of students and teachers by awarding them grants and providing them with adequate linguistic preparation. It also supports university cooperation projects in fields of common interest, known as "thematic networks". The cultural dimension of an initiative of this type, although present at all levels of activities undertaken, is difficult to isolate and quantify. In particular, it is a function of the participation of students and teachers originating from the cultural sector, who have the opportunity to complete their

training in foreign universities, improve their linguistic knowledge and, finally, to put this "European added value" to good use in cultural circles in their countries of origin. The cultural nature of such an action also results from an openness to and awareness of the various European cultures it plays a part in establishing.

Example - Polyphonia

(European musical network) : 12 musicology faculties and European conservatoires have been organised into a cooperative network to promote the mobility of the students and teachers (intensive joint programmes and degree courses). This network resulted in the formation of a chamber orchestra and a brass ensemble.

"Comenius" and cooperation in the field of pre-school, primary and secondary education

The aim of "Comenius" is to promote the European and intercultural dimension at pre-school and school level, and it includes a series of actions to stimulate cooperation between schools, to contribute to the development of professionalism amongst teachers and thereby to improve the quality of schoolteaching in various European countries.

This action may support projects based on a cultural topic regarded as a unifying factor and a basis for reflection for networks of schools from very different backgrounds.

Examples from the pre-launch phase of the Comenius action:

Example 1 - Meithal

Initial training of teachers and the European dimension since 1990, the Meithal network (Gaelic for "working together") brings together teachers and future teachers, from 12 teaching establishments and 8 countries in the Union, for one month, on a specific topic (in 1984, "Art in Europe"). The objective is to stimulate exchanges and consideration of the European dimension in the initial training of teachers.

Example 2 - How to live together in Europe

Developed between 1992 and 1994, within the context of the pre-Socrates multilateral school partnership pilot action, the "How to live together in Europe - Le forme della convivenza in Europa" project was coordinated by a secondary school in Palermo (Italy) and accomplished through a network made up of establishments in Austria, France, Germany, the United Kingdom, the Netherlands and Spain. The project had a multidisciplinary approach and teachers from several fields were brought together within teaching units to take part in a reflection on subjects as varied as history, philosophy, literature, sociology, anthropology, science, art, etc. The project contributed to an evaluation of the awareness of a common cultural heritage, of research into cultural roots, and of the understanding of relationships between national history and the history of other countries in Europe and the world.

Example 3 - The school adopts a monument

Launched in 1992 by an Italian foundation and coordinated at European level by the Pegasus Foundation, this project (supported by the European Union) resulted in the creation of a network of over 350 schools from 12 towns in the Union, the working topic being architectural heritage. Each participating school symbolically adopts a monument in its particular town, integrates its detailed study into its programme (also making use of new multimedia technologies), organises guided visits, compiles information, etc., in close collaboration with the local authorities and with those responsible for managing monuments and sites. The project also makes provision for transnational cooperative activities which include the publication of a monthly bulletin, meetings between teachers' and students' representatives from participating schools, inter-school student exchanges, etc.

Moreover, the Comenius action aims to support integration and equality of opportunity for the children of migrant workers, people pursuing itinerant occupations, travellers and gypsies. In this case, support for projects promoting greater awareness of linguistic and cultural

diversity and wealth must make a contribution to the fight against exclusion from society, racism and xenophobia.

This is the same approach as that adopted by projects supported under "intercultural education". Such projects aim to help students identify the factors which unite and differentiate humanity through a comparative study of different cultures and develop a critical and comprehensive view of cultural diversity.

The cultural dimension of the transverse measures of Socrates : Lingua, Arion, etc.

A cultural dimension strongly linked, as in the case of the other actions, to the notions of exchange between educational systems and between different cultural spheres also characterises the transverse measures provided under Socrates. However, it is difficult to define it in precise terms and even more difficult to quantify it.

This is the case of action to promote language learning (LINGUA), which implements a series of measures to improve knowledge of an increasing number of European languages. The priority given to the least spoken and least taught languages helps them survive and contributes to the cultural enrichment of the Union.

Actions organised to promote the exchange of information and experiences and, particularly, action relating to questions of joint interest concerning education policy, or the European educational information network (EURYDICE), may, logically, refer to educational aspects in the cultural field. Recognition of diplomas awarded and of education received in other countries (to which end NARIC (the network of national centres for information on the academic recognition of diplomas) works) is relevant to cultural and other studies.

One of the principal objectives of the "Adult Education" action is to disseminate knowledge of cultures, traditions and different European languages by supporting pilot projects offered by networks of institutions and organisations from at least three Member States. *In the case of this action, it has been possible to estimate that, out of the budget of 3 million ECUs allocated to the action for 1995, 29% was used to support culturally oriented projects.*

Education meets culture: the Community initiative in the field of education and artistic training

This Community initiative, launched in 1994, aims to promote transnational cooperative activities between educational and artistic-training establishments in the European Union. Aimed, above all, at post-secondary level, it is an attempt to give a higher profile to artistic subjects which are not always regarded on very important in educational programmes. The initiative covers the organisation of a series of educational activities in all artistic fields, ranging from the audiovisual sphere (cinema, photography, video art, etc.), dance and design (graphic arts, textiles and furniture), to the fine arts (painting and sculpture), music (both classical and popular) and theatre.

During the preparatory phase, in 1994, the Commission financed 61 demonstration projects covering all the areas mentioned. *In 1995, 52 projects were selected and financed, costing a total of 700,000 ECUs.*

Example 1. Granite, wood, bronze

This project consists of a transnational refresher course on which fine arts students and young artists attend courses given by professional artists skilled in the techniques of sculpture in granite, bronze and wood. The relationship between the three materials is explored as is the relationship between the Member States taking part, which provide different types of training. By mixing the materials during the session, the teachers and students have to work together and exchange experiences and methods, thereby adopting new approaches to sculpture. A document published at the end of the project encourages better cooperation at European level between schools and sculpture workshops. The project, which is coordinated by a Scottish sculpture workshop, also encompasses workshops in Ireland and Sweden.

Example 2. The establishment of a "common structure" for higher artistic studies within the European Union
Coordinated by the University of La Laguna de Tenerife and run with the participation of the Regional School of Fine Arts and Applied Arts of Toulouse and the Antwerp Higher National Institute and Royal Academy for the Fine Arts, this project aims to conduct research into the current position of fine-arts institutes in the European Union and their social role as regards job creation in relation to qualifications. A document will be prepared on the various qualifications and diplomas in the field of the fine arts in the European Union. The project's final objective is to create a structure common to all the Member States and which will be capable of identifying students' needs in terms of their preparation for professional life and the transfer of their skills to other Member States.

The projects selected in 1994 and 1995 reveal the diversity of approach to education in the artistic fields, this being a response to the various areas of concentration suggested by the action itself: reinforcement of transnational cooperative activities between teaching and artistic-training establishments in the European Union, increasing the mobility of students and teachers, supporting initiatives which promote the dissemination of information and experiences, and encouragement for the production of modules, special courses or international workshops and seminars which bring a European dimension to teaching of the arts. Often multidisciplinary in character, many of them also make use of the new information and communication technologies. Moreover, they demonstrate considerable socio-economic dynamism.

The Leonardo da Vinci programme and the cultural dimension of vocational training

This programme which, like *Socrates*, covers the period from 1995 to 1999, has been allocated an overall budget of 620 million ECUs. With the aim of rationalisation, it covers previous Community vocational training programmes, particularly FORCE (continuing education), PETRA (initial training), Comett (university/business cooperation) and Eurotecnet (promotion of qualifications linked to technological innovation). It supports pilot projects, placement/exchange programmes, surveys and analyses conducted within the context of transnational partnerships in order, particularly, to promote an improvement in and better awareness of both national vocational training systems and actions led by firms (including university/business cooperation).

This programme has a very wide field of research and can therefore encourage cultural projects to develop the training of professionals or refresher courses for them in the artistic and craft sector.

Example 1. Continuing education in the artistic ceramics sector

Coordinated by a Spanish association of businesses which are active in the field of ceramics, this project aims to create a system of continuing vocational education courses in order to remedy major shortfalls in the training of craftsmen and entrepreneurs, particularly as regards the use of new technologies.

The activities carried on in this context are aimed at classifying trades according to their levels, at studying the technological content of each trade, and at preparing courses which are adapted to said content and to

specific training requirements in order, finally, to try out the solutions arrived at in practice.

Other projects aim to generate methodological reflection at European level on a profession which is linked to the artistic sector, in order to improve its functioning and effectiveness.

Example 2. Museum professionals - the gap between education and profession

This project aims to reduce the gap between the traditional training of museum professionals and the specific needs of such institutions. This ranges from opening up a dialogue between the various university museology departments and organisations representing museum professionals. This exchange should result in an analysis of existing training systems which may promote the establishment of new teaching methodologies better adapted to the requirements of the sector.

In specific terms, the project will be run in the form of a number of seminars which will tackle the various aspects of the problem. A joint publication will mark the end of this initiative, the results of which will also be published in bulletins, reviews and seminars in the countries taking part. Coordinated by a Swedish body, the project has brought together partners in Denmark, the Netherlands and the United Kingdom.

The programme "Youth for Europe"

Allocated a budget of 105 MioECU, for the period 1995-1999, this programme aims to promote the development of exchanges between young people and initiatives for the young. In a general manner cultural themes are a source of predilection for communication and exchanges amongst young people. Art can become a catalyst of energy, an awareness tool, and help in the development and insertion into society. "Youth for Europe" has, with this perspective in mind, supported several initiatives such as :

Graffiti : project involving the organization of exchanges and meetings, as well as exhibitions on graffiti and the publication of certain works (hip hop culture ...).

Music for Youth : the development of recording studios and the exchange of recordings between the young of Europe.

Action to promote regional or minority languages and cultures

In accordance with the wishes of the EP, the Commission has, since 1983, managed an action to promote and safeguard regional or minority languages and cultures. The 1996 budget is 4 million ECUs.

The action aims principally to encourage the development of initiatives in the fields of education, culture and information and to stimulate cooperation between all those working to preserve and promote such languages and cultures, to improve information exchange and the transfer of experience, to systematise, improve or promote the teaching of regional or minority languages throughout the educational system, from kindergarten to adult training.

The projects which have been approved cover a vast range of educational and cultural activities, such as the teaching of these languages at all levels, teacher and adult training, publications for children and adults, standardisation of language and work on terminology, conferences and seminars, cultural events, video film production, radio and TV broadcasts.

Example 1 - Languages of Europe

Launched in 1994 by the TIDOC group in Barcelona, this project has made it possible to set up a graphic database of languages spoken in Europe. The data, in Catalan, English and French, and on disk, are an interesting multilingual teaching aid in the form of a game for children aged from 10 to 15.

Example 2 - Celtic Film Festival

The "International Celtic Film Festival" is a very important cultural event for the languages and cultures of Scotland, Brittany, Ireland, Wales and Cornwall. The 16th event took place in Fort William (April 1995) with the participation of film and television producers and representatives from professional associations in the field. The festival also included colloquia, seminars and prizes awarded for the best films.

Example 3 - Maritxu Berritsu

Radio programme for Basque-speaking children in France and Spain. Broadcast last one hour each day and are prepared in collaboration with primary-school teachers and pupils to help children develop their ability to communicate in Basque.

CHAPTER III : CULTURE AND ADVANCED TECHNOLOGIES

This chapter examines the different Community programmes that present an interaction between the sectors of advanced communication technologies and information market and that of culture. Some examples of pilot projects or major initiatives which apply advanced technologies to the cultural sector are then highlighted. Where possible, examples related to the museums field have been selected, in order to demonstrate what is done in only one of the many fields within the cultural sector. Furthermore, because museums and galleries collections are a privileged field for the application of the multi-media resources, and they provide a good illustration of the benefits that can result from the integration of the cultural dimension into advanced technologies projects. At the same time, museums consider that information and communication technologies provide an unparalleled tool to foster cooperation among them and the possibility of using advanced technologies for better fulfilling their specific missions.

I. INFORMATION AND COMMUNICATION ADVANCED TECHNOLOGIES

The Research and Development and Advanced Technologies sector is one of the major areas of the Union's activities and expenditure. Its objective is to strengthen the technological bases of European industry and to favour the development of its international competitiveness. These activities are led within the Fourth Framework Programme (12,700 MECU budget covering the period 1994-1998), which gives strong consideration to coherence between research and technological development (RTD) policy and economic and social cohesion. The main thrust is the use of science and technology to strengthen the competitive position of European industry, and to improve the quality of life in Europe.

RTD policy is of major importance to the cultural sector, notably concerning the support to areas such as museums and libraries. The introduction of advanced technologies to the cultural sector is vital for future development in the dissemination and application of information and communication technologies. The following programmes stimulate and support research and development in the cultural sector, as well as promoting greater cooperation between European cultural organisations.

1. Communication Technologies and Culture

Dealing with the integration of communications, the RACE (Research and Development in Advanced Communications Technologies in Europe) Programme was carried out in two phases: RACE I (1988-1992) and RACE II (1992-1995), with a total Community financial contribution of 1.103 MECU (representing less than 50% of the overall effort estimated at 2.500 MECU). The objective was to develop the conditions which will make it possible to Europeans a variety of services in telecommunications of better quality and least cost and to endow Europe with a strong and competitive telecommunication sector on a world level.

With regard to the application of advanced telecommunications in the cultural field in the RACE programmes, and in particular to the movable cultural heritage, two projects that took

place with the support of these programmes can be highlighted.

(1) Within RACE I: the EMN (European Museums Network) project which, concentrated on data-base aspects, developed a full digital multi-media alpha-system following the client-server concept. It was installed in 8 museums and their staff built a common multi-media data pool of 800 museum objects, each of them representing a multi-media data-document including a great number of related multi-media documents. One application was an authoring tool allowing the museum staff to edit and compose their own multi-media documents. The second application was a presentation system for lay museum visitors which allows them to navigate from objects which are led by keywords representing the visitors individual associations and impressions. This project was developed between 1989 and 1992 and received total Community contribution of 5 MECU.

(2) Within RACE II: the RAMA (Remote Access to Museum Archives) project, developed between 1992-1995 and supported with a Community contribution of 8.6 MECU, aimed at facilitating a far reaching use of databases and banks of images to be accessible to museums, which will be inter-connected with this system, and offering pilot remote broadband access services using museum archives as sources. RAMA enables European museums to organise their archives electronically, to offer new multi-media presentation facilities for their own (and other museums) exhibits and to make this information available remotely. The expected impact of the RAMA project is the building of a museum network that is allows remote access to museum archives for use by researchers, publishers, schools and scientists at the international level. Artwork selection will thus be done electronically to an increased amount of museum-multi-media information.

At present, the RACE Programmes have been superseded by the ACTS (Advanced Communications Technologies and Services) Programme, which benefits of a budgetary allocation of 671 MECU for the period 1995-1999. ACTS represents the European Union's significant effort to support precompetitive Research and Technological Development (RTD) in the field of telecommunications in the Fourth Framework Programme of research and development (1994-1998). The implementation of the ACTS Programme is a vital step in the development of an Information Society in Europe.

Advances in telecommunications are now one of the major driving forces of change. Telecommunications is important as an industry sector in itself but also as an essential infrastructure for other services, including culture. For telecommunications to achieve its full potential there is a need to provide a stable and predictable framework in which the many (and sometimes competing) sector actors can assume their roles in a constructive and non-controversial manner. In addition to the communications operators, service providers and equipment industry, the content owners, the users and their applications are significant players in the development of the telecommunications infrastructure and services. The communications system is evolving from a mere passive conduit of data to being an integral part of an intelligent and active process of adding value to information, which implies a significant qualitative change.

However, telecommunications developments are not just of economic importance. There are cultural and social implications to be taken into consideration. Communications technology has to mature from concentrating on quantitative improvements (more bits for less money) to supporting qualitative improvements (quality of communication) and improved relevance (communicating with the right partner or obtaining the relevant and correct service or information).

One of the benefits of the Information Society will be easier access to cultural information, in particular multi-media data of human cultural achievements. A stronger co-operation will be needed to accelerate the digitisation of cultural heritage and to develop coherent technical and organisational systems for storage and access. Full inter-operability of the diverse systems for access presently in use by different people and in different places will not be easy to achieve. Co-operation will influence the development of consensus on protection of intellectual property, author's rights and the management and preservation of cultural and linguistic diversity.

The objective is to maximise the benefit of integration, of new developments, establishing a concertation mechanism and building synergy's with other related domains and services with cross-sector interaction as a major focus point.

The main goal now is to establish the necessary guidelines and determine the priorities and actions to ensure:

- (1) Targets for digitisation of information on collections, multi-media;
- (2) Targets for interpretation of multi-media communications and access systems;
- (3) Targets for compilations/digitisation of records of the heritage of fragile and endangered minorities;
- (4) Targets for accessibility in libraries, schools, universities and public services;
- (5) Targets for interaction with this multi-media data.
- (6) Targets for guidelines IPR, copyrights, billing, etc.

2. Telematics applications and culture

The telematics Applications Programme (TAP) is one of the Information and Communication Technologies (ICT) Specific Programmes of the Fourth Framework Programme (1994-1998). In this context, the aim of the action developed in the Information Engineering Sector is to permit easier and more selective access and better usability of information in all its forms through the application of telematics based methods and systems, focusing on information content. It thus targets ease of access, usability, and multi-media content. This new budget area disposes of a current budget of 37 MECU out of the c. 900 MECU of the total TAP budget for the above mentioned period.

The key priorities under the present action are the following:

- focus on meeting user requirements (user-centred design, user requirements, and user involvement in the design process);
- cost-effect integration into user-friendly systems of tools and methods used at different stages in the information chain;
- improving the value and usability of information (design of form and content,

- finding information, using it in the users local environment);
- management of multi-media information (focus on repositories of not-textual information).

This action is founded on a commercial view of the world and is demand driven rather than technology driven. the approach involves pilot applications which integrate the three main links in the information chain (electronic publishing, focused on creators and creativity; information dissemination, focused on distribution and market facilitation; and information retrieval, focused on users and usability), which identify a series of well defined research tasks, and which involve real-life trails with significant number of users who are implicated through the development process.

Under these conditions, the development of a project with a clear cultural dimension is being co-financed: AQUARELLE - Sharing Cultural Heritage through Multi-media Telematics.

The objective of this project, due to commence early in 1996, is to demonstrate a distributed multi-media information system, offering access to inter-related reference multi-media documents, standardised notices, still and moving images, describing the cultural heritage: paintings, sculptures, monuments, musical instruments, historical furniture, etc. All the information bases, managed and fed by local entities and national authorities in charge of digitising and indexing the cultural heritage, and by private agencies and publishers, will be connected in a consistent and inter-operable network, thus offering the user a transparent access and a global vision of the European heritage.

The primary users of the target system are professionals: museum curators, researchers, public administrators in charge of indexing, archiving, and security of the cultural heritage, commercial publishers creating art information products (e.g.: books, CDs, virtual exhibitions), art historians, fine art companies and exhibition organisers.

The project aims at providing to these users world-wide distribution of information with multi-lingual support, secured access and IPR protection, advanced authoring tools to create hypermedia "folders" linking relevant information assets, and powerful facilities for on-line resource discovery.

The success of this project will depend on the ability to master the right interaction between the many sectors actors and partners within the consortium involved in the project: information technology companies, research organisations, cultural organisations and associations, publishers and private asset-holders, usability evaluation specialists, and project management and coordination organisation.

With regard to the Administrations Sector, in the Telematics Applications Programme, this action calls for the fostering of co-operation between community and non-profit organisations across borders, to facilitate the cultural policies of the EU and facilitate better integration into the coordination, planning and implementation process, and to address the need for a mechanism for European cultural and tourism opportunities to be made available to individual citizens.

In this area, the cultural field and, in particular, the museum sector is of special interest. European museums and galleries are world leaders in the cultural field. Over 15,000 in numbers, they are visited by over 500 million people each year including many from other parts of Europe as well as numerous overseas visitors, thus making an important economic contribution as well as their cultural role, both directly and via educators and writers.

However, much of their collections cannot be shown due to lack of space and resources. Moreover, many more people could benefit from more widespread access including those in remote areas as well as severely disabled people and those who regard museums and galleries as "not for them".

The opportunities for these institutions to be a major resource in the coming Information Society are becoming increasingly well recognised. Also, this provides an opportunity for them to secure additional sources of revenue to replace reducing governmental support and a number of EC and international projects have already been launched but are threatened by well-funded, aggressive US projects.

Among these, the MAGNETS project, supported in the framework of the TAP, Administrations Sector, is worthwhile mentioning.

The MAGNETS (Museums & Galleries New Technology Study, formally RINASCIMENTO & EMMA) project aims to provide an in-depth study concerning: user requirements, selected critical market and technology issues on an international survey of the needs and experiences of museums. The results will facilitate future EC projects and 'visions' for museums and galleries en route to the Information Society.

This study will contribute to an improved basis for a cultural systems programme and project planning and control at European, national and regional levels across Europe. It will provide a clear synthesis of what their needs and requirements are, of what is possible and available, a panorama of existing solutions and perspectives. And it will contribute to a better understanding of what is involved in the dissemination of information on museums collections and the access to already available information on the cultural heritage.

With particular attention to the visual arts, archaeology and history fields it can serve as inspiration to other fields. The results should also be of direct benefit to a wide range of museums and galleries as well as the responsible Public Administrations.

The MAGNETS project will be carried out by a leading French Association of 40 museums with an image database on the 20th century of 100,000 art objects, VIDEOMUSEUM, together with a 'Cultural SME' itself product of one of the EC's first cultural systems projects, VASARI Enterprises. The estimated cost of this project is 2.5 MECU.

Moreover, the Telematics Applications Programmes deals with R&D in its libraries sector, aiming at facilitating access to the wealth of knowledge held in libraries throughout the European Union. Topics covered include networking, cataloguing, resource discovery, imaging, multimedia, distance learning, standards and copyright.

Following some preparatory actions (1986-1990) with a budget of 5 MECU, the Libraries Programme started within the Third Framework Programme (1990-1994) with a budgetary allocation of 25 MECU. Partnerships have been fostered between libraries (60%) and SMEs, research institutes and universities (30%). Encouraging project results are emerging in the areas of networking technology, image systems and hypertext, and the creation of machine-readable catalogues. Prototypes for new library services are being developed, such as those for sound and image archives.

Within the Fourth Framework Programme (1994-1998), with a budget of 30 MECU, Telematics for Libraries is more clearly focused on networking. The workplan develops an extension to the rest of the networked information universe, in which libraries can act as intermediaries to knowledge discovery. The centrepiece is the integration of previous results into coherent interconnected and open services.

Libraries are cultural institutions that, as they develop the networked access and delivery services, which underpin the programme, their historical and cultural materials will increasingly be integrated into their electronic services. A number of the projects selected address culturally relevant materials in the domains of fine arts, art history, historical manuscripts and historical bibliography (for example projects such as, VAN EYCK, ELISE, HISTORIA, BAMBI, INCIPIT, etc).

Within the framework of implementing the TASK FORCE "educational software and multimedia", certain programmes, especially the "Telematics Applications Programmes", see an increase in the reinforcement of their activities in the cultural field.

3. Information Technologies and Culture

In the Second (1987-1990) and Third (1.532 MECU budget for 1990-1994) Framework Programmes, the ESPRIT (European Specific Programme for Research and Development in Information Technologies) Programmes followed a technology-push policy aimed at a growing Information Technology industry. ESPRIT cultural related projects accounted for 19.6 MECU for the period 1987-1994.

The new focus of Information Technology RTD under the Fourth Framework Programme (budget of 2.035 MECU for the period 1994-1998, of which 8.5 MECU represent the community funding as at 15 January 1996 for cultural related projects) is the emerging information infrastructure, which will provide the basis of the global information society of the future. The programme is in consequence to a greater extent led by the needs of users and the market, and will imply a greater concern for cultural related projects. The overall objective is to contribute to the healthy growth of the information infrastructure so as to improve the competitiveness of all industry in Europe, not just the IT industry, and to help enhance the quality of life.

The programme emphasises easier of access to information, to services and technologies for companies, administrations, and individual citizens. Activities stress use and usability of technologies, and best practice.

A number of information technologies are relevant to cultural actors such as museums, galleries and audiovisual creators. As an example, the design of cultural packages can take advantage of advanced techniques such as flat panel displays, virtual reality and simulation which are now available with execution times that allow interactivity with the designer. The cost for running these applications are becoming acceptable even to small and medium enterprises.

ESPRIT includes a number of tasks where pilot projects can be started. Museums and galleries are encouraged to participate to develop applications which are relevant to them. As regards multi-media techniques, there is a particular concern with issues such as "intellectual property ownership". Attempts toward the development of a consensus on standards has resulted in an increased coordination among the different actors involved. In the same way, museums and galleries as well as other cultural actors are encouraged to bring their contribution.

The following examples are projects developed in this context and supported by ESPRIT programmes:

VASARI (Visual Arts Systems for Archiving and Retrieval of Images). This project, that was led by Brameur (UK) between 1989 and 1992, had as main objective to develop a very high definition, accurate colour, acquisition system and associated imaging software for paintings in the museums. It clearly demonstrated the feasibility and the benefits of high resolution and high quality digital image processing techniques for the visual arts image. (EC funding of 2.1 MECU for an overall budget of 3.66 MECU.)

MARC (Methodology for Arts Reproduction in Colour). Led by Thomson (F) between 1992 and 1995, this project aimed at developing an integrated system for digital acquisition, the storage and the handling of colourimetric high definition images of painting for publishing purposes. The project was driven by the need for maintaining public awareness of art images as well as by business opportunities appertaining to the printing of art images. High quality catalogues showing paintings of different European museums will be produced from paintings acquired and handled through digital approach. MARC makes use of experience gained in VASARI and is, in effect, an extension of VASARI to the publishing world. (EC funding of 2.08 MECU for an overall budget of 5.232 MECU.)

MUSA (Use of Multi-media for Protecting Europe's Cultural Heritage). Using the results developed in ESPRIT in the area of digital imaging and multi-media technology, the aim of MUSA (1992-1994) was to provide the multi-media publishing industry with direct access to high quality images and data about visual arts from museums, including the visualisation of 3-D models of reconstructed objects; and give museums new means (including new sources of revenue) for the conservation and dissemination of works of art. MUSA gives museums the means to provide publishers an electronic catalogue containing images and texts, with the text formatted into records describing paintings or other works of art. (EC funding 1.4 MECU for an overall budget of 2.5 MECU.)

3D - MSC (Multi-media Support Centre) - A multi-media support centre that will

provide in 3D (three dimension) scanning technologies to museums and other institutions. This two-year project is still under negotiation following the third ESPRIT call.

All these are examples where museums have the opportunity to draw upon and utilise new technology for their own use.

II. CONTENT INDUSTRY AND INFORMATION MARKET

Information and communication advanced technologies provide unparalleled tools to foster co-operation amongst cultural organisations. At the same time, cultural content owners have a major part to play in the services and products to be provided in the Information Society. Increasingly their wealth of riches are being sought after to provide on-line 'content' for the emerging 'information super-highways' or off-line 'content' for the 'electronic information market' to both improve quality of life and generate revenues.

1. Telecommunication Networks and Culture

The implementation of the trans-European networks, and in particular telecommunication networks, will open the European market to the new applications and services which are the ground upon which the Information Society should develop. They are an essential condition not only for the establishment of the Information Society in Europe and in the world, but also for the operation of the Single Market, the realisation of the objectives of safeguarding and promoting Europe's future prosperity and creating new jobs, as well as the strengthening of the economic and social cohesion in the Union. The Community budgetary forecast for trans-European telecommunication networks is 30 MECU in 1996, 35 MECU in 1997, 77 MECU in 1998 and 114 MECU in 1999.

Application projects of common interest have been identified in 10 specific domains of the trans-European telecommunication networks for a call for proposals to be launched in March 1996. Each project is proposed by a consortium of sector actors and interested parties who intends to deploy an application, primarily of collective interest. Among them, one is devoted to the trans-European access to Europe's cultural heritage.

Trans-European access to Europe's cultural heritage

Network access to museum and galleries offers both easier access to Europe's heritage and new revenue for its preservation and display from access and re-use fees. Europe's museums and galleries hold the richest collection of objects and art anywhere in the world, but much is not accessible to scholars and the public because of lack of space and resources. The development of a trans-European framework for electronic network access is therefore of enormous cultural and commercial importance.

The objective of this project is to establish a technical, operation and commercial basis for trans-European electronic access to Europe's cultural heritage.

Initial feasibility assessments will be expected to address technical feasibility; the compatibility of a framework with the public mission of participating galleries and museums; the interests and requirements of schools, universities and the general public; and the viability of market management and structures for collection and re-distribution of access fees to museums and galleries.

The feasibility assessments will be expected to be completed within 1 year, and to be followed by pilot implementation in most European Union Member States within the 2nd year, for further market deployment.

The participating organisations will be expected to develop guidelines for good practice in electronic access to cultural heritage.

2. Information Market and Culture

The Commission has carried out a number of initiatives to improve the accessibility of information at the European level, in particular, through the IMPACT (Information Marketing Policy Actions) Programme, concerning the creation of an internal market on the information services and the strengthening of the competitiveness of the European information service industry. It encourages publishers and other actors to enter the electronic information market to produce information products (educational and entertainment oriented) on the exploitation and protection of the European cultural heritage and culture in general to a wide public including schools.

The cultural objective is to provide pan-European information and services to help ensure a strong European activity in the digital exploitation of public sector owned cultural assets in order to expand popular interest and the market for cultural goods. Narrow collaboration with asset holders (such as museums, etc.), publishers and multi-media producers is required.

Concerned with promoting cultural issues into the information market, the first IMPACT Programme, with a budget of 36 MECU for the period 1989-1990, co-financed the development of a project with a specific cultural dimension:

The NARCISSE (Network of Art Research Computer Images Systems in Europe) project that produced a high resolution image bank of reference documents of art treasures of Europe's museums. It was led by the Laboratoire des Recherche des Musées de France (F).

Building on the experience gained from NARCISSE, IMPACT 2 (with a 64 MECU budget for the 1991-1995 period) has supported the development of 22 projects to establish Interactive Multi-media Information Systems for the production of DC-ROMs and CD-Is.

Out of these 22 interactive multi-media projects, nine (with a budget of nearly 2 MECU) relate to culture and the arts, having a considerable effect on the raising awareness of cultural heritage and contemporary heritage. Among them, we can

highlight the following:

Via Lucis - Museums for Community: Via Lucis is a CD-I which introduces the spectacular world of the baroque through a rich collection of still and moving images, and scholarly resources.

Museum of London - Journeys through 19th Century London: CD-ROM draws on the extensive collections of the Museum of London to combine over 1,000 images with original audio recordings and some of the first moving footage ever filmed.

The Genesis of European Art - the Flemish Contribution: This CD-ROM looks primarily at paintings and drawings by Flemish artists between the 14th and 17th centuries, and the influence of their work on Europe's artistic heritage.

The Gothic Cathedrals of Europe: This is the first title in a project series called 'Monumenta', of electronic publications which explore Europe's architectural heritage. With moving footage and photographs, users can study architectural detail of 35 cathedrals.

All the above projects developed hard and software for new multi-media products, which can be used not only to raise the awareness of the public, but also as educational and training tools for the general or a specialised public.

Currently, INFO 2000, which supersedes the IMPACT Programmes, is a Community programme proposed by the Commission which aims at stimulating the development and use of multi-media information content. With a proposed budget of 65 MECU for the period 1996-1999, its objective is to encourage Europe's content providers to develop new multi-media products and services and to stimulate user demand for these products and services. The importance of multi-media content has been recognised in a number of fora. In particular, the Industry Council of 6/7 November 1995 invited the Commission to pursue initiatives that contribute to the advancement of the information content industry in view of the need to dispense content and services to the whole of industry.

The central theme of INFO 2000 is the development of a European information content industry capable of competing on a global scale and able to satisfy the needs of Europe's enterprises and citizens for information content leading, on the one hand, to economic growth, competitiveness and employment, and, on the other hand, to individual professional, social and cultural development.

In the Cultural Heritage area the aim is to stimulate the economic exploitation of Europe's cultural heritage through the implementation of new multi-media information services. Projects will create new multi-media information content and make it accessible on-line or off-line.

Services developed should utilise a delivery mechanism that is widely available and appropriate to the purpose. They must also exhibit a high quality of data content in order to fully validate the technology application being demonstrated.

The projects should aim at developing innovative products of an educational or edutainment nature which increase understanding of cultural assets. They should also contribute to the establishment of a European information multi-media content industry, for example by demonstrating advances in multi-media information service development, networking experience, using communications networks. In particular, projects are sought that share and make available digitised data resources that can be re-used by the electronic publishing industry for the development of value-added products and services.

CONCLUSIONS

The place of culture within the advanced technologies environment is still limited but increasing and above all promising. This is clearly a developing field where technological development (the container) is ready for incorporating a cultural dimension (the content), since culture is a privileged field for the application of advanced technologies.

The next step is to enable cultural organisations to use information and communication technologies to fulfil their specific missions. For that, their active involvement is crucial to undertaking the challenge that is needed, for instance, to convert our cultural heritage into electronic form. There is a concern to accelerate this development because the challenges are not only European but also international, such as the Pilot Project on Multi-media Access to World Cultural Heritage of the G7 Conference of February 1995 on the Information Society, coordinated by the Italian and French Ministries of Culture.

The pressing need to collaborate together is growing because the cultural and technological players, being of different nature, have approaches and needs that are complementary. The demands of the cultural actors ought to be integrated at the beginning of the process, in order to develop applications that are adapted to the content and to address the appropriate purposes to the users, enhancing coherence in favour of efficiency. Otherwise, there is a risk for a dispersion of actions with duplication and gaps.

This cooperation between the cultural and technological sectors can already be seen within the Community's policies; where a synergy has been developed among those concerned, notably with the museums field. Acting as a catalyser, the role of the Union is to create the framework where the cultural world (content owners) can collaborate together with industrial and commercial interests (information and hardware industries, as well as telecommunication operators and so on). Assuring the implication of all the players concerned, partnerships between private and public sectors are then easily envisaged. The main actors of these implied sectors well represented are now able to jointly put into perspective their action, specify their goals to attain in the field of museums and advanced technologies, and set up a clear strategy. Integrating all the previous experiences and results, the main objective is to consolidate a solid base at the European level through a coherent approach.

At least the three benefits described here can result from the integration of the cultural dimension into advanced technologies in the field of museums:

- (a) The museums will be more stimulated to cooperate in this area and will therefore accelerate the digitisation of their collections;
- (b) The global value of the projects will be increased by the balance between high cultural quality on the one hand and technological quality and socio-economic effects on the other;
- (c) The expertise and creativity of the museum community will be better employed to achieve the goal of giving the Information Society a visible cultural dimension.

The field of museums and galleries seems to be the most developed one in taking into account the cultural dimension in the advance technologies. However, important efforts are also being made in the field of libraries and archives. Other fields in the cultural sector, with a non negligible potential, such as non-movable heritage, theatre, music and dance, etc. are still to be developed.

CHAPTER IV : CULTURE AND OTHER INTERNAL POLICIES

1 . Culture and environment

In 1972, the Community was invited for the first time to implement, without delay, a common policy for the protection of the environment and consumers. The following year, the first Environmental Action Programme was instituted, to be followed by three other programmes. In 1987, with the adoption of the Single European Act and, more recently, with the Treaty on European Union (Title XVI, Article 130 r, s, t), protection of the environment has been recognised as an integral part of Union policy and of its objectives.

The fifth Environmental Action Programme, adopted in February 1993 for a period of eight years, is entitled "Towards sustainable development". Its objective is no longer to restrict environmental protection with corrective actions, but to reconcile it with necessary economic growth. This integrated and long-term view of environmental problems underlies the various initiatives currently being implemented by the Commission.

The Financial Instrument for the Environment (LIFE)

Since 1984, the Community has had at its disposal a series of financial instruments enabling it to implement its environmental policy (1984-91): Community Actions for the Environment - Biotopes). The most recent of these, entitled "The Financial Instrument for the Environment" (LIFE), was adopted in May 1992 for an initial 3-year period (1993-95), with a global budget of some 400 million ECUs. The programme was organised to cover several priority fields, the two principal ones being the promotion of moderate development and of the quality of the environment (LIFE-Environment, representing approximately 40% of available resources), and the protection of habitats and of nature (LIFE-Nature, totalling approximately 45% of resources).

This latter field has seen the development of actions for financing incentive projects which are included under the implementation of Council Directive 92/43/EEC, relating to the conservation of natural habitats, fauna and wild flora (Habitats Directive), as well as Council Directive 79/409/EEC, on the conservation of wild birds (Birds Directive).

LIFE-Nature, relating essentially to the safeguarding of natural heritage and biodiversity, stems from an understanding of culture which is different from that adopted by this report, specified by Article 128 of the Treaty.

Environment and culture

The "Environment" part of the LIFE instrument, on the other hand, finances projects which more specifically include a cultural dimension, and includes the following priorities:

- actions whose aim is to design and develop models for integrating the environment into regional development and management and into socio-economic activities. This priority is shared between rural development and sustainable tourism;

- actions for improving the quality of the environment in urban areas, both in central and outlying regions.

Of the projects receiving support within the context of rural development, there are many which relate to the enhancement or the restoration of "historical" landscapes and which acquire their cultural dimension owing to the interaction between this natural environment and its inhabitants, as well as to the tourism-related opportunities which they play a part in creating.

By way of example, mention may be made of the production and improvement of plant essential oils from the *maquis*, with a view to preserving the Mediterranean landscape. The aim, here, is economic, ecological and tourism-based (Sicily, Italy). However, this is a fairly marginal definition of culture compared with that which this report is endeavouring to determine within the various policies.

On the other hand, under the terms of the action to promote sustainable tourism, it is possible to identify a number of projects whose cultural content is more directly linked to the field defined by Article 128 of the Treaty.

The project entitled "Development and enhancement of the Carnac megalithic sites" (Brittany, France), launched in July 1994 for a period of 54 months, aims to rehabilitate and restore the archaeological site and its natural environment. Intensive visiting of the site, which is concentrated over a short season and a small area, tends to wear away the grassed area, leading to leaching and progressive erosion of the soil, accompanied by exposure of the rocky base, which threatens to loosen the standing stones. The project aims to adapt the conditions for visits by combining all ecological, heritage and tourist constraints and data to form an integrated approach which can be reproduced in other similar European cases. Out of a total of 15,164,634 ECUs, some 1.68% (254,614 ECUs) have been provided by LIFE.

The priority area devoted to improving the quality of the environment in urban areas includes projects aimed at the sustainable management of access and of the quality of the environment at important tourist sites.

The project entitled "Public access to the historic commercial centre of Kos lower town" (Greece) is spread over a period of 20 months, beginning in November 1995. Its aim is to improve the quality of the environment in the centre of the town and to improve access and the movement of visitors in the historic and commercial districts. Among the many measures (mostly of a town-planning nature) to be implemented to achieve these objectives, we should highlight development of the environs of ancient monuments. LIFE is supporting the project to the extent of 232,439 ECUs out of a global budget of 826,960 ECUs (28.11%).

By taking the environment into account in the wide sense, both in terms of its natural aspects and those aspects transformed by human, rural or urban action, together with the very different problems posed by these environments, LIFE-Environment possesses a considerable cultural dimension. It can contribute directly, as the examples quoted demonstrate, to the management and sustainable development of sites which may be regarded as "cultural landscapes" (archaeological or historical, urban or vernacular sites, landscapes marked by human activity, etc.).

Cultural aspects of LIFE-Environment

Budgets in thousands of ECUs				
	Member State or <i>LIFE</i> priority	Total cost of projects having a cultural aspect	<i>LIFE</i> participation in "cultural" projects	% of "cultural" projects in <i>LIFE</i> credits
In the case of 1992 and 1993, the participation of LIFE in "cultural" projects is an estimate				
LIFE 92	A15		2763	90 %
	A17		2392	80 %
	TOTALS		5155	19 %
LIFE 93	A15		5227	90 %
	A17		3159	80 %
	TOTALS		8386	14 %
LIFE 94	Belgium	1202	513	21 %
	Germany	1445	713	10 %
	Greece	3230	1464	33 %
	Spain	4271	1361	29 %
	France	19112	2111	30 %
	Ireland	1507	680	26 %
	Italy	2305	1015	16 %
	Portugal	2049	903	52 %
	United Kingdom	2932	1459	21 %
	Other countries	0	0	0 %
	A151	11181	4715	86 %
	A152	26872	5504	100 %
	TOTALS	38053	10219	19 %
LIFE 95	Belgium	2079	935	26 %
	Germany	579	290	4 %
	Greece	1813	720	22 %
	Spain	4840	1180	25 %
	France	2226	915	14 %
	Italy	824	342	5 %
	Portugal	212	80	7 %
	United Kingdom	1871	616	12 %
	Other countries	0	0	0 %
	A17	14444	5078	81 %
	TOTALS	14444	5078	11 %
TOTAL 92-95			28838	15 %

A few figures

By considering, for the years 1994 and 1995, the "sustainable tourism" priority as a whole and a large proportion of the "rural development" and "improvement of the quality of the environment in urban areas" priorities (search for the "cultural" character, according to the project titles), it is possible to advance a tentative estimate of the amount of LIFE-Environment credits used to support projects with a cultural aspect. For 1994, out of a global budget of 53,085,000 ECUs, the participation of LIFE in projects of this type is approximately 10,219,000 ECUs, i.e. 19%. For 1995, out of a total amount of 48,147,000 ECUs, it represented some 5,078,000 ECUs, i.e. 11%. The 1992 and 1993 figures are the result of an extrapolation for these years of percentages derived from an analysis for 1994 and 1995. Thus, for 1992, an amount of 5,155,000 ECUs was committed out of a global budget of 27,038,000 ECUs for "cultural" projects, equivalent to 19%. In 1993, expenditure in this field was 8,386,000 ECUs out of a budget of 58,517,000 ECUs, i.e. 14%. Consequently, over the 1992-95 period, it is possible to estimate, approximately, that the percentage of credits spent on supporting cultural-type projects is 15% of the global LIFE-Environment budget.

The "Sustainable towns" project and the balanced management of the urban environment

The "Sustainable towns" project, launched by the Commission in 1993, is an example of the cultural approach which may be developed under the terms of policies to promote the environment. Managed by a group of urban-environment experts and supported by a vast network of representatives from the Member States, urban and local administrations, social partners, organisations operating in the environmental field, bodies specialising in urban management, and the Commission's services, this project's aim is to promote in-depth consideration of the sustainable development of European urban complexes and, in the long term, to promote the achievement of specific projects in this field.

The result of initial work was published, in 1994, in a report entitled "Sustainable towns", an update of which is expected in 1996. In the part dealing with "Balanced planning of land use", a chapter is devoted to the safeguarding of cultural heritage. This problem is analysed in the light of three priority factors: the quality of the urban environment as reflected in the cultural and natural heritage of European towns; tourism and leisure activities; and the impact of the latter on cultural heritage and on the quality of the urban environment. The report proposes a series of measures to tackle development and urban improvement, the restoration of historic buildings, the aesthetic quality of new structures and their integration into the older fabric, etc.

In conclusion

The activities implemented under environmental policy include a considerable cultural component, particularly if one takes into account the environment as modified by interaction between man and nature. However, it should be pointed out, in a global view of the environment, that the various dimensions which define it are closely interlinked and that the cultural dimension can be identified and quantified accurately only with difficulty. Moreover, the line dividing the cultural and natural universe

which characterises the environment remains blurred and varies greatly according to one's point of view. In this context, the more specifically ecological meaning of environment (developed by LIFE-Nature) has not been considered in this chapter although it represents the most significant part of Community action in this sphere. On the other hand, a more specifically "cultural" dimension is provided by those projects involving intervention in respect of architectural heritage which is regarded as a significant component of the environment, both urban and rural, and as an essential element in the quality of life.

Architectural heritage is more or less directly influenced by human factors (population density, sociology, economics and culture), physical factors (traffic, density, morphology, materials, functions) and environmental factors (pollution, conservation and sustainable management) which must be dealt with in a global manner.

Taking these problems simultaneously into account in policies to promote the environment, R&DT, regional policy, tourism and culture will, by developing already existing or new synergies, enable the Union to implement an integrated policy which responds to the current imperatives of land management and the safeguarding of the cultural heritage.

2. Tourism and culture

The direct initiatives implemented by the Community in the area of tourism are covered by Council Decision No. 92/421/EEC which stipulates that: "the Community's action is aimed at highlighting the importance of cultural heritage for tourism and at promoting greater knowledge of the cultures, traditions and ways of life of Europeans".¹ This decision thus expressly emphasizes the close link between tourism and culture and, more particularly, tourism and cultural heritage. These two elements have, in effect, become the two areas which complement and are virtually inseparable from a vast current of cultural awareness and redefinition. At the same time, cultural tourism is, in terms of openness and exchange, a factor of paramount importance for the development of the idea of European citizenship and has increasingly important economic and social consequences for many countries in the Union.

According to the principle of "subsidiarity" which governs Community action, the development and management of tourism are, above all, within the jurisdiction of the Member States which have the opportunity to enhance the wealth of their respective cultures. The Community's role in this respect is to give tourism-based initiatives a European dimension by supporting, in particular, the exchange of information, *savoir-faire* and good practices through transnational projects.

¹For an analysis of all Community actions relating to tourism, see Document COM (96) 29 final, of 5.2.96

The "multiannual Community action plan in the field of tourism" and cultural tourism

Therefore, the Commission developed a "multiannual Community action plan in the field of tourism", covering the period from 1993 to 1995, and allocated an overall budget of 18 million ECUs. A significant number of projects supported within this context are of a cultural nature, particularly:

- a) Support for initiatives aimed at drawing up new European, tourism-oriented cultural routes, in collaboration with the national, regional and local authorities of the Member States and at publicising them in brochures and other publications or multimedia tools. (Call for proposals 93/C 128/09 OJEC C128 of 8/5/93, p.7)
- b) Incentives to and aids in using European networks which permit the exchange of experiences between tour operators and cultural institutions, amongst other things for the enhancement of heritage. (Call for proposals 94/C 122/07 OJEC C122 of 4/5/94, p.9)

- "European cities of art", implemented by the Federation of Tourism Offices of European Cities (1994-95), aims to establish a European network of 31 cities of art and history located in 11 countries in the EU, through cooperation between tourism's professional and cultural institutions, both in the public and private sector. Emphasis will be placed on urban tourism which has been made more functional and attractive through the development of tour "packages" and appropriate information and marketing tools, particularly using computers and new technologies.

- "European cities within reach" is a project drawn up by the Royal National Institute for the Blind (1993/94/95) which aims to produce publications in Braille presenting the heritage of a number of European cities to a visually-handicapped audience. Specially arranged cultural circuits will also be developed, or extended where these already exist.

In the wake of the 1993 work programme, 18 projects were achieved in 1994, these being aimed at developing new cultural tourism routes. The Community's contribution was 1,200,000 ECUs.

For 1994, out of a total of 21 tourism projects supported by the Commission and achieved during the 1994-95 period, 11 were of a cultural type. Their objective was to stimulate the exchange of experience between tour operators and cultural institutions, each project setting up a cultural network. The projects chosen reflect a number of trends arising from different cultural objectives ranging from enhancement of architectural heritage, in order to promote the spirit of discovery for the greatest number of tourists, to a more social approach, such as the promotion of ethnic minority culture through the establishment of tourist itineraries, or the production of publications in Braille on the heritage of European cities intended for the visually handicapped (example cited above).

Out of a total Community location of 6,566,400 ECUs, 1,093,863 ECUs were used to support these cultural-type projects (i.e. 16.66%).

To conclude

The relationship between tourism and culture is undeniable and, given this fact, Community action in this field cannot but have a significant added value.

Cultural tourism is a sphere which, logically, has great cultural potential, but also economic and social potential. Enhancement of the cultural heritage for tourist purposes can help to safeguard assets and develop the region in question. However, this may also be a double-edged sword: the opening-up of historical sites or museums to an uncontrolled flow of tourists, together with the developments which result from this, may represent a serious threat to the integrity and long-term preservation of this cultural heritage.

In this connection and with a view to increased Union action in the field of tourism, it is essential, in collaboration with the cultural sector, to take account of public expectations but also, and above all, of the imperatives of conservation and balanced management of cultural heritage.

This includes, *inter alia*, better management of flows of visitors informing tourists and making both them and the inhabitants of the localities receiving the tourists more aware.

3. Culture and research

The Community programmes conducted in the field of research are covered by the 4th Research Outline Programme (1994-98), allocated an overall budget of 12.7 billion ECUs.

Science and technology are an integral part of culture, as a major source of knowledge and new practices, and also utilise and reflect the values and view of the world of the groups in which they develop.

The Union's technological development and research policy as a whole thus has an undeniable cultural dimension. It reinforces the position of science and technology in European culture by stimulating the expression of European culture(s) in this field.

The cultural dimension of technological development and research policy is explicit in the case of the following major categories of action:

A) Union actions in the field of relations between science and culture:

This action has a dual objective:

- To stimulate, on a European scale, reflection on and debate about science and technology. The principal instrument used for this purpose is the "European Science and Technology Forum", a framework for studies and conferences on historical, social and ethical cultural aspects of science and technology in Europe (budget: approx. 800,000 ECUs per annum). Set up in 1994, the Forum is the framework for 4 or 5 projects each year.
- The Forum's action is supplemented by the publication of a quarterly review, "Euroscientia Forum", which aims to expand reflection and debate on science and technology in Europe beyond the participants in the Forum's conferences and the subjects dealt with there.
- To stimulate on a European scale, knowledge and understanding of science and

technology on the part of the public. The principal instrument used for this purpose is the "European Scientific and Technological Culture Week" (budget: 1 million ECUs per annum). Organised each autumn since 1993, this initiative serves as a framework for a variety of projects (open days, special TV programmes, conferences, exhibitions, animation projects, etc.) aimed at familiarising the public with science and technology in their European dimension (European scientific and technological cooperation, science and technology in other European countries). Twenty to thirty projects of this type are prepared each year in collaboration with bodies from the various countries.

B) Union actions in the field of RDT to protect and conserve European heritage

1. The "Environment" programme: research and technology in the service of cultural-heritage conservation

It was in 1986 that the Community began ongoing support for research projects with a cultural dimension through its "Environment" programme. This programme's general aim is to expand and reinforce research activities which are currently in progress by supporting transnational and multidisciplinary projects aimed at reconciling environmental improvement and the quality of life with industrial development.

Since then, this programme has gone through four stages of activity, each including a specifically cultural part:

1. "The effects of atmospheric pollution on buildings and historical monuments" (1986-90).
2. "Protection and conservation of European cultural heritage" (STEP Programme - 1989 - 92).
3. "Environmental protection and conservation of European cultural heritage" (ENVIRONMENT Programme - 1991-94).
4. "Technologies for protecting and rehabilitating European cultural heritage" (ENVIRONMENT AND CLIMATE Programme - 1995 - 98).

As these titles expressly indicate, the cultural dimension of these activities is linked to the close relationship maintained between scientific research and technological development on the one hand and conservation of the cultural, domestic and movable/non-movable heritage on the other.

Ranging from the intrinsic qualities of deterioration (behaviour of materials towards external factors) or the extrinsic causes (*inter alia* climatic and environmental factors), to protective and conservation measures, the projects supported in this context relate to extremely varied problems which have in common recourse to research and up-to-date technological methods in order to achieve a cultural objective.

One example is the project run by a network of several Italian, Belgian, Spanish, Portuguese and Greek universities and centres, together with Malta and Romania, the project being entitled "Marine spray and polluted atmosphere as factors of damage to monuments in the Mediterranean coastal environment", which lasted 36 months and was launched on 1 January 1993.

The project aims to conduct a scientific study into the climatic and environmental influences on the process of ageing and the problems of degradation of the stone from which the monuments in the Mediterranean regions of southern Europe are built, with special attention being given to the cumulative action of sea salt and atmospheric pollutants. The second objective concerns the development of a study methodology to evaluate the characteristics of the stones which might enhance understanding of the phenomena of ageing. This could provide a basis for the development of the most appropriate conservation techniques. This project was supported by the Commission to the extent of 1,200,000 ECUs.

Projects supported within the context of this programme are conducted by universities, research centres or specialised SMEs. They last for 2 or 3 years and have to have a European dimension (participation on the part of several countries), demonstrate a high scientific content, an innovative approach and optimum potential exploitation of the results.

Over the last three periods of activity of the programme (1986-90, 1989-92 and 1991-94), some 130 of the principal European research laboratories and institutes have submitted and completed projects in the field of conservation of cultural heritage.

The programme also includes preparatory and flanking measures to promote the use and dissemination of the research results. Such measures include conferences, workshops devoted to specific topics (eg. the conservation of brick masonry, Louvain, October 1994), the setting-up of network-type working groups, and the publication of reports presenting the most significant projects supported within the context of the programme, as well as the "European Cultural Heritage Newsletter on Research".

For the 1990 - 94 period, out of a global budget of 315 million ECUs, the amounts allocated to the completion of 18 cultural-type projects totalled approximately 11 million ECUs, i.e. 3.5%, amounting to an annual figure of approximately 2.2 million ECUs.

2. "Environment and climate" : 1995-98

The current programme, entitled "Environment and Climate", relates to the period from 1995 to 1998. That part devoted to research into the protection and conservation of cultural heritage has the following general objectives:

- Better knowledge of the causes and mechanisms involved in the deterioration caused by environmental factors, together with an evaluation of the risk factors linked to improper use of technologies (eg. heating, air-conditioning, new building materials, etc.) and to mass tourism.
- Promotion of the development and application of methods and technologies emphasizing an evaluation of their limits, advantages and appropriate application within the context of the causes, mechanisms and effects of and treatment for environmental degradation.
- A contribution to the setting-up of a scientific conservation database.

This programme has been allocated a global budget of 566.5 million ECUs and it is reasonable to imagine that at least the same percentage as in the previous period (3.5%) will be set aside to finance projects with a cultural content. This would correspond to an estimated minimum amount of approximately 20 million ECUs for the 1994-98 period, corresponding to an annual figure of approximately 4 million ECUs.

3. Contribution of the measures and analyses to the conservation of cultural heritage: the "Standardisation, Measurement and Test" programme (1994-98)

Further initiatives currently being developed within the framework of the 4th PCR include measures capable of exerting a degree of influence on the cultural sector and, in particular, in relation to heritage. The "Standardisation, Measurement and Test" programme (1994-98) aims, in general terms, to develop a harmonised system of reliable and reproducible measurements and analyses to improve the competitiveness of European industry. Topic III of the programme, which relates to "Measurements in the service of society", is intended to encourage research which contributes to an improvement in individuals' health and safety and environmental quality (including the safeguarding of European cultural heritage). This context includes the development of new instruments and systems of measurement for qualifying parameters which affect the conservation and maintenance of cultural assets and defining the damage caused, a methodology for evaluating the effectiveness of the treatments and products used in activities linked to conservation, sampling techniques, and methodologies for establishing the origin and composition of articles.

This programme has been allocated a global budget of 184 million ECUs. It can be estimated that approximately 4 million ECUs will be spent on activities of a cultural nature. The annual amount of such expenditure would consequently be in the region of 800,000 ECUs.

4. The INNOVATION programme

The INNOVATION programme covers pilot projects aimed at understanding and integrating the social and, *a fortiori*, cultural dimension into its action to develop an environment favorable to the dissemination of scientific and technical experience in European society and, more generally, to promote a European "innovation culture".

The systematic dissemination of good practices and methodologies enabling society's players to take part in the various innovation processes, which are common in some countries in the Union and lacking or rare in others, creates important synergies and helps to reinforce European cohesion.

The conditions for success of these actions to transfer *savoir-faire* have been analysed and amply tried out in the field (more than 500 experts from various fields, municipal representatives and residents from about 15 towns and cities took part), in the case of a specific methodology developed in Denmark and now being used in some 10 European towns and cities before the project has even been completed (European Awareness Scenario Workshops (EASW) Initiative).

The effectiveness of this approach is confirmed by the support expressed by such diverse networks and organisations as the Council of Communes and Regions of Europe, Eurocities, the Campaign for Sustainable Towns and Cities, coordinated by DG XI D, the United Nations Environment Programme and other groups working as part of more informal networks.

On this basis, a series of similar projects exploring new topics brought to the fore by the advent of the Information Society (health and quality of life, mobility and access, ageing society, etc.) and new methodologies or better practices will be launched in the near future after an open call for proposals (budget: approx. 2 million ECUs).

C. Other Union actions

The cultural dimension is present in a portion of the Union's action in supporting the training and mobility of researchers. It is more difficult to quantify the budget allocated to activities of a cultural nature within other programmes or actions linked to RDT. The programme entitled "Training and mobility of researchers" (1994 - 98) is aimed, in accordance with the White Paper on competitiveness, growth and employment, at promoting the mobility of researchers and the creation of continent-wide research networks.

This objective is pursued through the granting of research bursaries, enabling European researchers to attend training courses lasting from 3 months to 3 years, outside their country of origin, and through the organisation of research networks intended to promote meetings, experience, the exchange of results, etc.

The programme also includes flanking measures, such as the organisation of Euroconferences and other scientific meetings, training courses and summer courses. The cultural dimension of this programme is obviously linked to the participation of researchers from the humanities and social sciences. This programme, in effect, includes projects with a strong cultural dimension (history of science, cultural anthropology, archaeology, sociology of values, language studies, etc.).

Amongst other initiatives linked to RDT which do not have a cultural dimension but which may exert a degree of influence in the cultural field is the programme entitled "Technology Stimulation Measures for Small and Medium Size Enterprises" (1994-98, granted a budget of 700 million ECUs). This programme, which aims to encourage the participation of SMEs in Community RDT programmes, can assist SMEs wishing to implement new technological means in the sectors of art and cultural heritage.

Conclusion

With the three goals of consideration of the cultural aspects of science and technology, support for research in the service of European heritage, and research into social problems with a strong cultural component, recent years have seen the advance of the cultural dimension of the Union's technological development and research policy. This evolution should be continued in the years to come, within the limits of the objectives of research policy as established in the Treaty.

Links with the "ENVIRONMENT R&D PROGRAMME"

(A) science and research sector	(B) total funds for actions	(C) actions with a cultural dimension	(D) funds to actions with a cultural dimension	percentage of total funds to actions with a cultural dimension
Environment programme	315 MECU	18	11 MECU	3.5

List of Research Projects on Environmental Protection and Conservation of the European cultural Heritage funded under the Environment R&D Programme (1990-94)

Coordinator	Partners	Title of project	EC contribution (ECU)	duration (months)
Syremont Spa (Italy)	Greece, Spain, Italy, France	Study of the microstructural decay of lithoid monuments caused by environmental factors, using newly developed radar-aided methods	600,000	30
Institut für Instandhaltung GmbH (Germany)	UK, Greece, Netherlands	Soil-archive classification at European excavation sites in terms of environmental impact and conservability of cultural heritage	518,000	24
English Heritage (UK)	UK, Ireland, UK	Wood protection : understanding the relationship between deathwatch-beetle wood-decay fungi and timber ageing in European historic buildings in order to develop alternatives to current harmful and ineffective treatments	500,000	36
Gifford & Partners Ltd., UK	Germany, Portugal, UK	Re-treatment of consolidated stone façades	164,000	24
Birkbeck College, UK	Netherlands, Italy	ERA : Environmental Research for art conservation	580,000	36
Royal Danish Academy of Fine Arts (Denmark)	France, Belgium, UK	Deterioration and conservation of vegetable tanned leather	480,000	24

Middlesex University, UK	Portugal, Austria, UK	Particulate pollution and stone damage	471,000	24
University of Patras, Greece	Italy, Spain	Deposition of gases and particles and their corrosive effect on articles of cultural & artistic value inside museums	280,000	24
University of Manchester, UK	Denmark	Development of improved conservation techniques for archaeological iron	300,000	24
Carl von Ossietzky Universität Oldenburg (Germany)	Italy, Spain	Biological and mineralogical reactions of Mediterranean monuments	116,000	24
TNO, Bouw (Netherlands)	Belgium, Italy	Performance of surface treatments for the conservation of brick masonry	410,000	24
Katholieke Universiteit Leuven (Belgium)	Netherlands, Italy, Germany	Expert system for evaluation of deterioration of ancient brick masonry on historic buildings	600,000	30
Fraunhofer Institut für Silicatforschung Würzburg (Germany)	UK, Portugal	Assessment and monitoring of the environment of cultural property	900,000	36
Fraunhofer Institut für Silicatforschung Würzburg (Germany)	UK, Denmark, Romania, Czech Republic	New conservation methods for outdoor bronze sculptures	714,000	24
Universiteit Ghent (Belgium)	Spain, Belgium, Germany, Italy	Interactive physical weathering and bioreceptivity study on building stones monitored by CT X-ray tomography	600,000	30
Community of Mediterranean Universities (Italy)	Spain, Greece, Portugal, Belgium, Germany, Italy, Malta	Marine spray and polluted atmosphere as factors of damage to monuments in the Mediterranean coastal environment	1,200,000	36
Universita degli Studi di Trieste (Italy)	France, Italy	Non-destructive testing to evaluate diagnostic methods and reinforcement techniques applied to historic buildings	660,000	36
Université Paris Val-de-Marne (France)	Italy, Switzerland, France	Surface alterations of monuments: experimental and modelling approach	250,000	27

4. SMEs, commerce and culture

Production within small and medium-size enterprises, the craft sector commerce and distribution are the subject of a number of Community support actions within the context of the multiannual programme for businesses and the SMEs (1994-96). This programme, which aims, *inter alia*, to modernise commerce and distribution and emphasizes the role of commerce in local development, carries out actions which, indirectly, have a cultural dimension, particularly on the grounds of the encouragement they offer to artistic and craft activities.

Three initiatives are worthy of mention in this connection. The first, entitled "Support for seminars, conferences and studies", receiving a global budget of 300,000 ECUs, is used to support non-profit-making actions of interest to commerce and distribution. These conferences and seminars may have a cultural nature.

In 1994, a conference was organised on "The future of small retailers and services in rural areas", which analysed the role played by commerce in the survival of rural communities and in halting the drift towards the towns and cities.

In 1996, a seminar will be held at Empoli, Italy, on the socio-economic impact of commerce on historic urban centres in various Member States, with particular reference to tourism.

The second initiative consists of Commission support for and participation in the conference on artistic trades organised in June 1994, in London, by the British Crafts Council.

CRAFT - Finally, at the second European craft and small businesses conference, held in Berlin on 26 and 27 September 1994, debate also touched on artistic trades and, in particular, on a European value for the artistic trades. The Commission is prepared to sponsor such an initiative, to be launched by representatives from the private sector. This initiative would aim to provide recognition to craftsmen, to improve the knowledge, profile and representative nature of crafts and to consolidate the concept in its European context. A prize will be awarded for confirmed craft talent, with a second prize to encourage young craftsmen to enter the field.

The field of small and medium-size enterprises and, in particular, those which are active in the artistic and craft sectors, in the safeguarding of cultural heritage or in new technologies applied to these subjects, represents a significant cultural dimension but one which is difficult to identify and to evaluate within current Community policy.

Union action in this field which is particularly strong in economic and social terms may, if consolidated, make a significant contribution on the one hand to the safeguarding and redevelopment of traditional trends and, on the other hand, to the emergence of new cultural skills.

5. The social economy and culture

Foundations are among the principal players in cultural action and we can estimate that they invest some 152 million ECUs in this area in Europe. At least 150 foundations³ are active in this sphere, either by means of support given to cultural events or by staging them

³ See "Cultural Funding in Europe", European Foundation Centre, 1995

directly.

As groups of volunteers acting together to achieve a common objective, cooperatives and associations are often used as tools to organise cultural activities. They are particularly active in implementing an integrated approach to culture, by means of extending cultural horizons to underprivileged groups (the poor, minority ethnic communities). Work to establish European statutes for cooperatives, mutual-type groups and associations, together with other priorities in the social economy working programme, facilitates trans-European cultural action.

Culture is a growing source of competitive advantages for Europe. It is thus timely that social economy organisations should be actively pursuing vocational training in the field of culture, for example ESF-supported training projects in the field of music, the theatre and comedy. Sometimes, these actions are part of multi-functional projects to restore urban centres.

Some projects supported within the framework of the Commission's multiannual programme (1994 to 1996) for cooperatives, mutual-type groups and foundations in the Community have a cultural dimension. The programme's budget is now around 2.5 million ECUs/year, a small proportion of this being used to support cultural activities.

6. Community action to promote European town-twinning

This action is to encourage closer links between towns and villages in Europe through town-twinning. To date, some 15,000 towns and cities have taken part. Community financial support targets mainly small villages and towns in underprivileged peripheral regions and develops multilateral exchanges and joint action programmes. Such activities may relate to or include culture and cultural heritage.

The budget allocated to this action for 1995 was 3.5 million ECUs, with 7.5 million for 1996. About 10% of the overall budget for the action will probably go to support activities of a cultural type.

PART III : AUDIOVISUAL POLICY

The development of the European Union's audiovisual policy is a response to two basic objectives:

- setting-up and ensuring the functioning of a genuine European area for audiovisual services;
- implementing a strategy to reinforce the European programme industry.

These two objectives, linked to the development of the market and to industrial policy, are being pursued by taking full account of the cultural dimension of the audiovisual sector, and can be seen both in terms of the regulatory framework governing the European audiovisual area and in the various support initiatives.

1. FIRST OBJECTIVE - A EUROPEAN AREA FOR AUDIOVISUAL SERVICES - (REGULATORY ASPECTS)

The "Television without frontiers"¹ directive, adopted by the Council in 1989, is the cornerstone of the regulatory framework for the European area in respect of audiovisual services. Its principal objective is to permit the free circulation of television broadcasts in the European Union and thereby encourage the development of transnational services. It is consequently based on Articles 57(2) and 66 of the EC Treaty.

This free circulation is based on a double principle of unity of the applicable law and of freedom to receive broadcasts:

- each broadcaster may be subject to the laws of only the single Member State under whose jurisdiction he falls (or is established) and must comply with a minimum of common rules in so-called "coordinated" areas.
- the Member States must not impede the reception or retransmission on their territory of broadcasts originating from other Member States for reasons falling under the jurisdiction of the coordinated fields.

The method used is thus that of the coordination of national rules where that is necessary, so that the disparities between them can no longer constitute legal obstacles to the free circulation of televised broadcasts. Free circulation is the principal objective of the directive and it takes into account other objectives such as the protection of consumers and minors, the promotion of the European audiovisual industries, the protection of public health, etc.

The coordinated fields include the definition of criteria whereby a broadcaster is deemed to fall within the jurisdiction of a Member State, televisual and sponsored advertising (advertising volumes and message content), the protection of minors, the right of reply and a specific factor devoted to the promotion of the production and distribution of audiovisual programmes.

¹ Council Directive No. 89/552/EEC, of 3 October 1989, relating to the coordination of certain laws, regulations and administrative provisions of the Member States relating to the pursuit of televisual broadcasting activities. OJEC L 298, dated 17.10.89

This chapter contains a structural rule aimed at reinforcing independent production and a rule aimed at guaranteeing that most of the work disseminated by European broadcasters is European. This latter rule has an obvious cultural dimension in that it ensures minimum representation of national and European cultures on European screens

The basic framework provided by the "Television without frontiers" directive is supplemented in various other fields to ensure effective free circulation of the services by other legal instruments within which the cultural dimension of the audiovisual sector is also taken into account.

* The so-called "Satellite cable copyright" directive² supplemented, in 1993, the "Television without frontiers" directive within the context of transborder broadcasts.

* In addition, the Green Paper on the legal protection of encrypted services³ provides, for consultation by interested parties, an analysis of questions connected with the pirating of pay-TV audiovisual services and, thus, indirectly, of audiovisual works. In particular, it is of the opinion that a regulatory action, at Community level, aimed at establishing an equivalent level of protection in all the Member States could prove to be necessary in order to supplement the regulatory framework of the European audiovisual area set up by the "Television without frontiers" and "Satellite cable" directives.

* Admittedly, in other areas connected with broadcasting, the Member States retain the right to legislate in respect of Community law. In these areas, the application of Article 59 of the Treaty, which provides for the abolition of obstacles to the freedom to provide services, makes it possible to prevent new violations of the European audiovisual area. However, its application in the audiovisual sector also takes account of specific cultural features: in particular, it has recognised the possibility that the Member States have to maintain certain national measures relating to linguistic policy (*cf.* Chapter I - Culture and Community case law).

* Finally, the satisfactory functioning of a European audiovisual area presupposes the maintenance of an open market and effective competition. In the field of State aid, the new possibilities offered by Article 92(3)(d) of the Maastricht Treaty must, however, be fully exploited.

The audiovisual sector is facing rapid change, both in technological and economic terms, and such changes can be seen, particularly, in the development of new types of audiovisual services on each side of the traditional frontier between broadcasting and telecommunications.

At a time when clusters of satellite and pay-TV channels are beginning to become firmly established in the European audiovisual landscape, the digital broadcasting revolution makes

² Directive 93/83/EEC, relating to the coordination of certain copyright and similar rules applicable to satellite broadcasting and retransmission by cable

³ Doc. COM(96) 76 final

it possible to perceive a multiplication of the programme supply and the development of services such as "pay-per-view" or "video on demand".

Similarly, by virtue of progress made in digital compression, telecommunications networks are becoming suitable supports for the dissemination of images and the development of new interactive multimedia services.

Given these various developments, maintaining the basic principles of the European audiovisual area presupposes both certain adaptations of existing rules and forward-looking reflection on the framework which is likely to enhance the development of new services. All these new factors take due account of the sector's cultural dimension.

Beyond a limited review of the "Television without frontiers" directive, such forward-looking reflection will be part of the framework of a Green Paper on the new audiovisual services, to be finalised during 1996.

2. SECOND OBJECTIVE - REINFORCING THE EUROPEAN PROGRAMME INDUSTRY - (SUPPORT ACTIONS)

Although strong in the terms of the wealth and the diversity of its heritage, the European cinematographic and televisual programme industry has revealed its structural weaknesses in the face of the increase in competition on international markets. The strengthening of this industry and the desire to make it more competitive have, right from the outset, been a fundamental objective of Community audiovisual policy.

Beyond the industrial dimension of this objective, there is clearly a strong cultural dimension. Cinematographic and televisual programmes are goods unlike any others: as privileged vectors of culture, they retain their specific nature amid the new types of audiovisual product which are currently multiplying; as living witnesses of the traditions and of the identity of each country, they merit encouragement; only a strong European industry will be able to guarantee both the diversity of programmes and an increase in the international influence of European cultures. Given the position of the image of our society, much is at stake in cultural terms.

Over the years, the diagnosis has been refined and Community support instruments have been developed.

The principal support instruments, namely the MEDIA Programmes⁴ and the Action Plan for

⁴ The MEDIA Programme was set up by Council Decision 90/685 EEC, of 21 December 1990, relating to the implementation of an action programme to encourage the development of the European audiovisual industry (MEDIA 1991-95).

This programme was reshaped into a MEDIA II programme based on two Council Decisions, firstly No. 95/563/EC, relating to a programme to encourage the development and the dissemination of European audiovisual works (MEDIA II - Development and dissemination) (1996-2000) and, secondly, No. 95/564/ EC, relating to a training programme for professionals in the European audiovisual programme industry (MEDIA II - training) (1996-2000).

Advanced Television in Europe⁵, both based on Article 235 EC, effectively supplement efforts made at national level. To comply with the principle of subsidiarity, they relate to structural objectives having a direct and indirect impact both on the production of European works and on their circulation in the Member States.

Similarly, the European guarantee fund for the audiovisual sphere, as proposed by the Commission⁶, is aimed at creating a financial instrument capable of mobilising investment in the European audiovisual programme industry.

This innovative instrument is intended to supplement the action of the MEDIA II programme by intervening directly at audiovisual production level. This will make it possible to improve, in a more efficient manner, the financing of European works capable of benefiting from pan-European and worldwide expansion.

Given that their principal objective is to promote the development of the programme industry, MEDIA II and the guarantee fund are based on Article 130 (industry) of the EC Treaty. However, these instruments, just like the action plan, take full account of the cultural aspects of the industrial sector they intend to promote, as is the intention of Article 128, Paragraph 4.

Moreover, under the terms of the "European Audiovisual Dimension", the support given to prices and festivals traditionally makes it possible to provide financial support for audiovisual festivals, particularly cinema, by programming quality European works at a time when commercial cinemas are putting on essentially American films. This action, developed since 1992, has a threefold objective which is not without importance from the cultural standpoint:

- it enables European works to be promoted;
- it favours their circulation and their distribution (whereas, in the case of each Member State, only a very small part of nationally-produced films is the subject of programming in other Member States);
- it facilitates mutual awareness of national film industries, thereby contributing to the enrichment of cultural exchanges.

The interest in this action on the part of professionals working in the field of cinema, as witnessed by the recent creation of the "European Cinema Festival Coordinating Committee", stems from the fact that, in addition to providing financial support, it enriches their programming outside the constraints imposed by distributors and provides a "label" enhancing the allocation of national and regional aid as well as commemoration of the Centenary of the Cinema in 1996 in some Member States.

⁵ Council Decision 93/424/EEC, of 22.7.93, establishing an action plan to introduce advanced television services in Europe. OJEC No. L 196, of 5.8.93

⁶ Proposal for a Council Decision instituting the European guarantee fund to encourage film and televisual production. Doc. COM(95) 546 final, of 14.11.95

CONCLUSION

The instruments of audiovisual policy constitute, to a certain extent, a model for consideration of cultural aspects by the Community in the actions it takes under the terms of other provisions of the Treaty, as required by Article 128, Paragraph 4. This consideration was already effective before the 1993 entry into force of the Treaty on European Union and of its provisions relating to culture (the "Television without frontiers" directive had been adopted in 1989 and the MEDIA I programme in 1990) and there is no reason *a fortiori* for it to be any less important today. This model should serve as an approach in other fields. In effect, if it is clear that the principal objective of the "Television without frontiers" directive (free circulation) and of the MEDIA II programme (development of the audiovisual industry) are not those listed in Article 128, Paragraph 2, and that they are, consequently, justly based on other provisions of the Treaty, it is also clear that it is precisely in such cases that Paragraph 4 of Article 128 should be applied.

Through the various Community initiatives developed under the terms of audiovisual policy, the European Union makes an undeniable contribution to maintaining and expanding the influence of European cultures, while respecting their diversity. The industrial and market logic underlying this action in accordance with the rules of the Treaty have not prevented consideration of the dual (economic and cultural) nature of the audiovisual sector. On the contrary, the cultural dimension of this policy tends to be reinforced within the framework of new initiatives. Thus, the Commission will take care, in particular, to exploit the various synergies which are emerging between cultural action and audiovisual policy to promote multimedia development.

PART IV : CULTURE IN THE COMMUNITY'S EXTERNAL RELATIONSHIPS

CHAPTER I : EXTERNAL COOPERATION ACTIONS

International cultural cooperation has taken on increased importance worldwide and the cultural dimension is now a component of international relations and foreign policy, thereby supplementing political and economic dimensions.

This evolution has also been seen in the European Community. Article 128§3 of the Treaty establishing the European Communities in effect requires the Community and the Member States to promote (cultural) cooperation with third countries.

On the basis of Lomé III (1986-90) and on the basis of Article 131§3 of the EC Treaty, the Community has included a reference to culture in the various types of agreement it concludes with third countries. In most cases, reference is made to culture particularly because the Community is not seen only as an economic power. Such was the case with the Latin American countries (cooperation agreements). In the wake of the changes which occurred in Europe in the late 1980s, this process has been accentuated through agreements with countries in central and eastern Europe (European and cooperation agreements), with the New Independent States (cooperation and partnership agreements) and, recently, with the Mediterranean policy (Euro-Mediterranean agreements).

The agreements concluded between the Community and third countries which refer to culture have thus multiplied since 1986, being characterised by a wide variety of formulae which are the result of the various frameworks within which they were negotiated.

Under the terms of Community cultural cooperation with third countries and international organisations, **six categories of agreements can be distinguished:**

1. Cultural cooperation with ACP countries. The Lomé IV Convention, signed in 1991, mobilising a budget of 14.6 billion ECUs for 1996 - 2000, includes an article (139) devoted to cultural cooperation.

Within the context of this Convention, about 45% of the 70 National Indicative Programmes for ACP countries actually lead to a formal recognition of the cultural sector as a specific field of cooperation.

In the framework of the Lomé Convention, the European Commission has, so far, financed around 250 cultural programmes with an amount of over 62 mio ECU.

Nearly a third of the cultural programmes financed are linked to the audiovisual sector (90 actions), either by their financial participation to films -nearly 60-, or by their support for broadcasting, training, or at cinema festivals. In this sense the European Union has become the first sponsor for Africa and efficiently contributes to reinforcing its image as a promoter of culture vis-à-vis a large african and european public.

The other important chapter has been the support for highly significant cultural manifestations such as, the "Marché des Arts du Spectacle Africain d'Abidjan", the "Biennale de Dakar", the musical festival of Austral Africa and the big cultural exhibition AFRICA 95 which took place in England

As for the other financed operations, emphasis should be given to the accent placed on safeguarding and enhancing cultural heritage. The European Commission has financed several actions in this field, firstly to promote the ACP countries' physical heritage, but not neglecting the non-physical component of cultural heritage, so vital to the identity of the ACP countries, such as the safeguarding of the oral tradition, and support for local languages and traditional music.

2. In certain cases, the agreements concluded by the Community and the Member States are committed to the openness of Community cultural programmes:

- The agreement on the European Economic Area (Iceland, Norway, Liechtenstein)
- Association agreements with countries in central and eastern Europe (Poland, Hungary, Czech Republic, Slovak Republic, Romania, Bulgaria, Estonia, Latvia, Lithuania, Slovenia (signed), Albania (draft directives for a new cooperation agreement in preparation))
- Association agreements with Cyprus and Malta (openness is envisaged in the text of the "Kaleidoscope", "Ariane" and "Raphael" programmes)
- Euro-Mediterranean association agreements with Tunisia and Morocco. The openness of the programmes is also provided for in the association agreements being negotiated with the Lebanon and Egypt. In this respect, it should be emphasized that the Barcelona Declaration of 27/28 November 1995 introduced a multilateral dimension into cultural relations with Mediterranean countries. Thus, "the participants recognise that the traditions of culture and civilisation on both sides of the Mediterranean, dialogue between these cultures and human, scientific and technological exchanges are an essential component in promoting alignment and understanding between their peoples and in improving mutual perception". Following the Barcelona Conference, a euro-mediterranean conference, with a cultural heritage theme, is scheduled to take place in Bologna the 22/23rd of April 1996.

Third countries participate in the Community cultural programmes "on the basis of supplementary credits to be supplied according to procedures to be agreed with these countries" (Art. 4 of the Kaleidoscope decision and the Ariane decision). More specifically, the participation of Ireland, Norway and Liechtenstein is regulated by the EEE (European Economic Area) agreement and, in the case of the countries in central and eastern Europe, by additional protocols to the European agreements:

3. According to the **EEE agreement**, Ireland, Norway and Liechtenstein:

- will have access to programmes covered by the agreement, including cultural programmes, through a joint-committee decision;
- at the level of the Committees which assist the Commission in the implementation of the programmes, will have the same rights and obligations as the Member States;

- will contribute financially to the programmes in proportion to the level of their GDP.
4. The **additional protocols** to the European agreements, in accordance with the conclusions of the Copenhagen European Council (21-22 June 1993), have adapted the conditions for Ireland, Norway and Liechtenstein to the specific conditions of countries in central and eastern Europe and to their limited possibilities in terms of financing. Therefore, under the terms of these protocols:
- the Council of Association instigated by the European agreement will set the terms and conditions for participation by the country concerned in Community programmes;
 - the contribution from the country concerned to financing the programme is calculated on the principle of this country being responsible for the costs of its participation;
 - if appropriate, the Community may decide, on a case-by-case basis, to supplement this contribution.
5. In other cases, provision has been made to develop **more general cultural cooperation**, implementation and monitoring of which will have to be provided by the joint commissions or committees responsible for managing these agreements:
- Cooperation and partnership agreements with the New Independent States (Russia, Ukraine, Belarus, Moldavia, Kazakhstan, Kyrgystan, and Georgia, and Armenia, Azerbaidjan and Uzbekistan being negotiated))
 - Cooperation agreements with Latin America (Chile, Mexico, Uruguay, Brazil, Paraguay), Central America (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama) and the Andean Pact (Bolivia, Colombia, Ecuador, Peru, Venezuela), Mercosur and partial states
 - Cooperation agreements with Asian countries (India, Macao, Sri Lanka and South Korea (being negotiated))
 - Cooperation agreements including an *evolutive clause*, making it possible to extend the areas of cooperation referred to in the agreement to other subjects. For example, Article 15§2 of the agreement signed with Vietnam provides: "Within the framework of this Agreement, either of the Parties may put forward suggestions for expanding the scope of the cooperation, taking into account the experience gained in its application".

Save for certain exceptions, for example MED-MEDIA, for the Mediterranean (5 million ECUs, 1994-95) and the "Cross-Cultural Project" with India (30 million ECUs over 5 years), Community cultural cooperation with third countries has no specific financing and thus cannot develop in a structured manner, continuing to depend entirely on the vicissitudes of external policy.

6. The **joint Declarations** signed, within the framework of political cooperation, between the European Community and certain developed countries (United States, Canada and Japan) also include a cultural aspect without specific budgetary provision.

It should also be emphasized that there is frequent recourse to **culture as an element**

in the "public relations" of the Community with respect to the outside (support for ad-hoc cultural events, for example, orchestra tours, concerts, etc.) which serve to back up some political initiative undertaken within the framework of external relations.

Given the nature of this type of intervention, these actions are also covered essentially by Community external policy.

Finally, often evoked but rarely stated precisely, the Community and the Member States are given a mandate (Art. 128§3) to cooperate with the other international bodies active in the field of culture, particularly the Council of Europe and Unesco.

Such cooperation with international organisations, in terms of technical cooperation (participation in meetings of mutual interest and exchanges of information), is not new. The relationship between the Council of Europe and the European Community is based on an exchange of letters of 16 June 1987 concerning consolidation and intensification of cooperation, the periodic organisation of high-level meetings of officials from the secretariat of the Council of Europe and the Commission, inter alia, in the field of culture.

Although 112 states are linked to the Community by agreements containing cultural clauses, the Community currently has no effective coordination and organisational system nor any appropriate budget for taking on this major aspect of Community policy.

The current trend in the Community, particularly given the origin of sources of financing (to the degree that these are provided), is to make a distinction between the countries called upon to participate in Community cultural programmes on the one hand, and the other third countries on the other hand.

It should be recalled that, at a national level, culture ministers and foreign ministers have responsibilities and a specific budget for the development of external cultural cooperation. From a political standpoint, they act very differently. Although the respective responsibilities of these authorities are difficult to determine, the principle of this dual competence is rarely questioned. This duality of competence is again found at Community level.

CHAPTER II : COMMERCIAL POLICY

1. Community commercial policy is based on Articles 110 to 115 of the Treaty. Whenever commercial issues were discussed on a Community level in the past, cultural issues were traditionally examined only when they had a clear economic and commercial impact. The most publicised and recent evocation of culture remains the negotiation of the present GATS Agreement. Inside the E.U. this gave rise to lengthy debates on whether a "cultural exception" should be sought. This issue remained unresolved right to the end and our partners in the negotiations have clearly refused to accept the principle and its use in the audiovisual sector.

2. The outcome of the GATS Agreement has been clear in the sense that there is no "cultural exception" in the WTO legal framework or recognition of the "cultural specificity" of audiovisual services. Nonetheless, the fact that no commitments were made by the E.U. and its Member States leaves them a wide degree of freedom in safeguarding cultural objectives and policies.

3. On the other hand, two of the MFN exemptions in audiovisual field submitted by the E.U. have a strong cultural dimension. The first concerns measures which define works of European origin in such a way as to extend national treatment of broadcasting or the like to audiovisual works which meet certain linguistic and origin criteria regarding access to broadcasting or similar forms of transmission and originate from countries which parties to the Council of Europe Convention on Transfrontier Television or European countries with whom an agreement may be concluded. The justification is the promotion of cultural values and the achievement of linguistic policy objectives. The second MFN exemption concerns the production and distribution of cinematographic works and TV programmes and covers government-to-government framework agreements on co-production of audiovisual works on which national treatment is conferred in particular in relation to distribution and access to funding. Again the aim of this exemption is to promote cultural links between the countries concerned.

This constitutes a certain basis to build on, provided that there is no discernible protectionism behind the use of the cultural argument. It must be noted, nonetheless, that the GATS Agreement specifies that these exemptions should in principle not exceed a period of ten years and that, at any rate, they shall be subject to negotiation in subsequent rounds.

A major test will come when the negotiations on subsidies - Article XV - start (although no time frame for these negotiations has been set, it is probable that discussions could start in the next few months). It is essential that the E.U. be solidly behind the need to defend subsidies in the audiovisual and cultural sectors which although they do not have a great impact on commercial relations financially are of a great importance in our multicultural Europe. It is essential that preparatory ground work be done if the future negotiations are to be more successful than the GATS negotiations in achieving the cultural objectives of the E.U. and its Member States.

4. The evolution of technology, the advent of the Information Society with multimedia products with significant cultural content, the ever-increasing development and ensuing commercialisation of what is generally called "cultural industries and services" will, in the near future, call for greater account to be taken of culture -in its different aspects - in commercial negotiations whenever appropriate.

PART V : CONCLUSIONS

The Commission's review of consideration for cultural aspects in Community action has led to two observations:

The first observation is that the Court's decisions and legislative acts have, in many cases, had to reconcile achievement of the objectives of the Treaty with the specific objectives of cultural policies. Initiatives taken at Community level or the decisions of the Court of Justice have made it possible to consolidate the concepts which, in several fields, govern the organisation of cultural activities both internally and externally. This demonstration is particularly striking in the field of copyright or the promotion of audiovisual works.

In other sectors, this reconciliation has proved more difficult, owing to the economic and commercial nature of the cultural activities in question. It has been necessary to strike a bargain between the provisions of the Treaty and cultural objectives, and although this bargaining has led to a degree of consideration of the cultural aspects, these have not received the priority treatment which may be accorded to them in certain Member States (for example in respect of book prices, taxation of certain cultural goods and services, or the field of competition).

The second observation is that a great majority of the policies and actions implemented by the Community now include a cultural dimension or have an impact on certain cultural fields. This "investment" in the cultural field has taken place progressively in step with the importance given to policies backing up achievement of the single market: economic and social cohesion, environment, research and technology, social policy, in particular.

Thus, the cultural aspects of actions taken by the Community or of the policies implemented by it are many. It must also be clarified that this report is no more than a partial account of this consideration for cultural aspects. Awareness of actions deriving from Community intervention but implemented in a highly decentralised manner can be no more than imperfect in the absence of major studies into their impact at regional or even local level. Such studies, however, would provide only supplementary information on a phenomenon which can be perceived in terms of the principal trends and understanding of which will make it possible to draw lessons from it, to be interpreted in terms of future political action.

1. Initial lessons:

1. The cultural aspects of the various support policies conducted by the Community are many, important and varied. Most Community policies have a cultural dimension, interact on the cultural field and mobilise players in the cultural sector. Considerable means exist.

2. Although considerable means are devoted to cultural activities or activities with a cultural dimension, the operations implemented are not, or are rarely, covered by a specific policy which is a response to the tasks assigned to the Community in the cultural field. They do not correspond to a cultural project and have few or no Community cultural objectives.

3. Since the Treaty on European Union gives specific areas of jurisdiction to the Community in the cultural field, it is henceforth responsible for reconciling objectives which are specific

to support policies and objectives of a cultural nature. This implies, on the one hand, that the objectives and means of Community cultural policy are specified beforehand and, on the other hand, that these objectives and means are incorporated early in the definition and implementation of the Community policies concerned. Cultural policy includes encouragement actions conducted on the basis of Article 128, and the actions taken and the policies conducted on other legal bases which have to consider cultural aspects.

2. Objectives and means of a Community cultural policy

The Community cultural policy implemented on the basis, particularly, of Article 3 EC p) and of Title IX of the Treaty cannot be confused with cultural policies conducted by the States, regions and other decentralised institutions. It corresponds to specific tasks allocated to the European Community.

Cultural policy forms part of the European enterprise and, in this respect, is an integration factor within an "ever closer union between the peoples of Europe" (preamble of the Treaty).

In this respect, cultural policy must make a contribution to strengthening and to expanding the influence of the "European model of society built on a set of values common to all European societies" (Opinion of the Commission on convening the 1996 Intergovernmental Conference). Owing to its richness of character and its diversity, culture is a major component part of this European model of society. Community action must promote the preservation and enrichment of that which goes to make up the cultural and linguistic identities and realities of the peoples of Europe. It must allow strengthening of citizens' feeling of belonging to one and the same Community. This was the desire expressed in Madrid (December 1995) at the meeting of Heads of State and of Government : *"The European Council reaffirms the importance of cultural action in encouraging a Community dimension in the cultures of all the Member States making up the Union"*.

There are three particularly important lines of action here:

- enhancement of the cultural roots and currents which are common to Europeans and which have played a part and still play a part in forming the cultural identities and realities of peoples of Europe. Culture is one of the ways in which a society expresses itself and is also the result of exchanges and confrontations between societies. There are few philosophical, scientific or artistic trends in Europe without a transnational dimension. Community cultural policy must permit the enrichment of these exchanges but also ensure respect for the cultural identities and capabilities for expression and creation of each people.
- a cultural action making it possible to promote the emergence of permanent networks between the cultural operators in the various countries and offering them the means for setting up long-lasting cooperation actions which have a high profile amongst citizens.
- priorities would be defined by the Community to ensure and increase the convergence of the support actions concerned. The advantage of this method would be to offer greater consistency between intervention actions in the field of culture and to avoid

creating the impression of piecemeal support which is to the fore when examining some of the actions undertaken.

Finally, outside the European Union, Community cultural policy must promote an expansion in the cultural influence of European people and of the European model of society. If it constitutes an integration factor within the Union, for the outside it represents an instrument of cooperation which must be used to promote dialogue between cultures.

3. Recommendations concerning consideration of cultural objectives in Community action

The entry into force of the Treaty on European Union now requires the institutions of the Union to take cultural aspects of Community action into account. This report will enable them to appreciate the extent of this obligation and will promote reflection on and action towards the development of Community cultural policy on the basis of the objectives and means defined above. It demonstrates that, on the basis of the same means, cultural aspirations can be achieved at European level if there is the political will to coordinate such means. The desire is to make the citizen once again the centre of the European enterprise and here is a privileged field of action at a time when the Union is eager to embark on further decisive stages in the economic and monetary sphere.

For its part, the European Commission will take the internal measures necessary for:

- the proposals for acts of derived law that it will have to refer to the Parliament and the Council, and its decisions, to be compatible with the objectives of cultural policy;
- in the definition and implementation of support policies, the objectives and the means of each instrument having an effect on the cultural field to be consistent with the objectives and the means of Community cultural policy.

To this end, the Commission will draw its inspiration from provisions being implemented in other fields, such as the operational measures adopted to ensure the incorporation of the environment in the Community policies.

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