

# **THE ARCuIt CULTURAL FORUM 1: Report**

## **Why and how should culture be funded? In Romania.**

Platform of proposals and debates in view of reforming the funding system of cultural activities  
in Romania

February 25, 2005  
GalAteCa Gallery, Central University Library, 2-6 C. A. Rosetti St., Bucharest



ECUMEST ASSOCIATION

14 Batistei St., 020937 Bucharest, Romania

Tel / Fax: +40 21 212 21 00 E-mail: [ecumest@ecumest.ro](mailto:ecumest@ecumest.ro) Website: [www.ecumest.ro](http://www.ecumest.ro)

# **The ARCult Cultural Forum**

The ECUMEST Association has launched on February 25, 2005 the project “The ARCult Cultural Forum” – a platform for analysis, proposals and debates aimed at contributing to defining a long term cultural strategy in Romania.

The first meeting within the framework of the ARCult Cultural Forum – “Why and how should culture be funded? In Romania” has brought up the issue concerning the funding system of culture in Romania, bringing together the main actors in this field (public institutions, non-governmental organisations, artists, cultural administration) with the aim of offering a view on the position and role that they have, or that they should have in the present context, and on the funding mechanisms adapted to it.

The meeting has been organised in the framework of the ARCult programme of the ECUMEST Association, with the support of the Policies for Culture programme (an initiative of the European Cultural Foundation and the ECUMEST Association) and of the Swiss Cultural Programme in Romania.

## **The ARCult Cultural Forum 2: “The Independent Sector”**

For the upcoming meeting, we propose one of the topics that have constantly been brought up during the discussions concerning the public funding and, at a more general level, the cultural market in Romania. The debate which will take place on April 20, sets out to introduce into discussion the notions of “independent”, “non-governmental”, or “freelance”, alternatively trying to differentiate between the levels – the institutional one, the legal one and the artistic one. It also sets out to bring forward the different perspectives and practices concerning the above-mentioned issues in the Romanian context. We are looking forward to your proposals and suggestions at the contact address of the ECUMEST Association. Further details regarding this debate will be soon available.

## **The ARCult Cultural Forum: A Short Report\* “Why and how should culture be funded? In Romania”**

The discussions that have taken place during the first meeting in the framework of the “ARCult Cultural Forum” have been concerned with numerous aspects regarding the funding system for diverse fields and types of actors, as well as general funding principles and strategies in the cultural field. Hereby, we will be briefly listing the main problems that were identified, and questions, proposals and suggestions that were brought up so that they can be submitted to decision instances and so that they serve as starting point for the organisation of future debates.

---

\* Report by Oana Radu & Ștefania Ferchedău.

## A. In Response to the Context

During the debate, the main action lines of the Ministry of Culture and Religious Affairs (MCC) have turned out to be the following:

### *Priority issues (Ioan Onisei)*

- the establishment of a new legislative framework;
- the improvement of the funding mechanisms;
- the decentralisation of decision and resources – for the creators and the local public authorities. (The transfer of decisions towards the civil society, the citizen and the local authorities has been also mentioned by Markó Béla as representing the general action line of the current government)

### *The partnership with the civil society and the main projects of the MCC (Mona Muscă)*

- Partnership in cooperation with the civil society – HOW?
  - Information, consultation, assessment:
    - permanent communication with both the main internal and external actors; the transparency of decisions;
    - collaboration in the elaboration of legislative projects necessary for this field;
    - partnership with professionals from each field (contemporary art, heritage, etc.) with the aim of using the existing expertise;
    - the necessity of assessing projects developed by the ministry - the civil society needs to be involved in this process.
  - Decision:
    - the externalisation of certain activities, projects, cultural programmes (the Enescu Festival, the National Theatre Festival, or the international book fairs, were mentioned in this context); the externalisation of resources and decisions concerning their distribution (e.g. the National Cultural Fund).
  - Financial partnership:
    - drawing private sources of financing;
    - changing legislative regulations in order to encourage sponsorship.
- WHICH are the main programmes of MCC? The following ones were mentioned:
  - the initiation of an ample campaign dedicated to encouraging readership among young people and to facilitate access to these resources by supporting public libraries and finalising the National Library project;
  - Sibiu European Cultural Capital 2007;
  - the restoration of the historical centre of Bucharest.
- Proposals:
  - the necessity of debates that introduce into discussion the strategy of the Ministry and its main projects;
  - the organisation and the systematisation of the dialogue with the civil society and everything that it involves - institutional and legislative mechanisms, protocols for specifying criteria, procedures that ensure financing, collaboration and independence.

## B. Aspects Specific to Different Types of Cultural Actors

### **Public institutions**

- tendencies: decentralisation, financing on the basis of programmes and projects;
- obstacles: the capacity of local administration to manage decentralisation; the stiffening of these institutions; the lack of institutional autonomy; the difficulties of the dialogue with local authorities;

- needs: the control of the efficiency of public money use; the application of the existing legislation (for example, the law of public performing arts institutions); training programmes focused on the development of projects and on raising funds;
- other proposals: it is necessary to transform – in conformity with the law – the management contract into an instrument which ensures the administrative efficiency of public institutions, as well as autonomy from any political interference.

### **Non-governmental organisations**

- positive aspects: the independent sector is very active, flexible, lively, open to dialogue, representing a factor capable of making changes;
- negative aspects: a lack of legitimacy when they are faced with many of the local or central authorities, as well as a lack of recognition as far as their activity and the role they play in the cultural field are concerned; they mainly benefit from external financial resources, which are diminishing at present, and the support of Romanian sponsors is poor;
- needs and proposals:
  - a more substantial and flexible public financing. The proposals that were made included the following aspects: support for their structural costs via subsidies for the organisations with acknowledged activity or via the inclusion of administrative costs in the eligible financing categories; the creation of distinct funds for NGOs at the level of MCC (or at the level of FCN) for ensuring a minimum financial support for them;
  - the issue of venues (concerning the lack of financing for administrative costs, which renders extremely difficult the continuity of NGOs activity); proposal: the creation of "creative spaces" following similar successful examples of countries of Eastern and Western Europe, set at the disposal of active NGOs with innovative artistic proposals (free or in exchange for preferential fees);
  - the above-mentioned proposals have introduced once again into discussion the notion and the status of "independent" – the legitimacy of having access to certain subsidies, and the way in which this issue affects or not the above-mentioned status;
  - the systematisation of the dialogue with the civil society, in view of rendering it more efficient and obtaining more concrete results;
  - the creation of a framework which enables functional collaboration with public institutions, each part contributing with its expertise and its specific resources.

### **Freelance artists**

- the need of reforming the system of artistic education and of synchronising it with current trends as far as artistic production and audience development (which should represent one of the priorities of the public policy);
- the need for supporting the mobility of artists;
- the issue of legitimacy and validation has been brought up: which are the "institutions" or the platforms that can provide legitimacy for the artist? (which is the role of school or the role of the creators' unions and to what extent, are such existing institutions (still) legitimised or to what extent should they be legitimised, etc.).

### **Cultural administration**

In her presentation (*summarised in the annex*), Corina Răceanu tried to diagnose the present situation and came up with suggestions regarding future actions:

- the drawing up of a more profound analysis of cultural administration in Romania, on the basis of which a reform of the administration becomes possible and training programmes can be proposed etc.;
- the analysis of the way in which management contracts are functioning between directors of public institutions and the authorities they are subordinated to, regardless of the level of subordination;

- on the basis of such an analysis, proposals can be made for their transformation into an efficient instrument; this can also be achieved through the drawing up of protocols (regarding their general framework, planning and assessment criteria etc.).

## C. Sectorial Aspects

- Contemporary dance
  - the lack of a minimum infrastructure and funds for contemporary dance projects have introduced into discussion the functioning of the National Dance Centre founded in 2004; a speeding up of the procedures has been asked for so that the venue allocated by government decision (the venue is presently administered by MNAC – the National Museum of Contemporary Art) comes under the administrative responsibility of the Centre, and so that the contest for director nomination is organised, the budget for 2005 is approved, the fitting out of the space starts and the funds for choreographic projects for 2005 are allocated;
  - the identification of other venues for contemporary dance performances, as well as the MCC's creation of levers such as the compulsoriness of public institutions which are under its subordination to present a minimum number of dance performances.
- Contemporary art vs. heritage?
  - Starting with the demands of numerous NGOs and of independent artists for contemporary art to be an acknowledge priority of MCC (as a response to the traditionalism that has dominated the ministry's policies so far) and ending with the minister's statement according to which the MCC strategy is that of setting a balance between the support of tradition and innovation, and not that of favouring one above the other – for example, contemporary art (being mentioned that establishing priorities would only affect the application of the value criterion) -, a tension between the two trends has constantly come into picture throughout the debates, revealing the need for a much more in-depth discussion concerning both the position of MCC policy on this issue and the role of each of these trends in the cultural landscape and in the present context.
- The need for the intensification of inter-sector cooperation culture-education-integration, but also economy-tourism etc.

## D. Financing mechanisms

### The New Mechanism of the National Cultural Fund (FCN)

Its details, including the budget for MCC programmes and projects for 2005 and the way in which it should be distributed via NFC, were presented by Delia Mucică.

#### *Identified problems and proposals:*

- financing resources
  - MCC solicited the cultural organisations to lobby for maintaining as the fund's source the tax of 5% out of the returns of the economic agents of the telephony system which offer services with added value (tax stipulated as fund source starting with 2001, yet presently introduced into discussion in Parliament);
  - the issue concerning the collection of taxes stipulated by FCN: there is a need for a very clear specification in the law of the payment responsibilities, of the supervision of tax payment etc.;
  - as far as the sums resulting from the MCC budget are concerned – which are the stipulations of the contract through which MCC entrusts the Administration of FCN with the sums stipulated in the MCC budget for projects and programmes and how is the use of these sums controlled?

- who benefits?
  - the provisions for equal access to funds for public institutions and NGOs has been contested by some participants who have requested distinct funds (see NGOs above); the setting up of a real competition between them in the context of which only the value of the project should matter involves the following aspects: on the one hand, the creation of support levers for the support of administrative costs (see NGOs), on the other hand an objective assessment- which introduces into discussion the way in which decision commissions and the main selection criteria are established;
  - the inclusion of individual persons in the categories eligible for funding has been solicited.
- what is funded and to what extent?
  - need: the inclusion of administrative costs within the costs eligible for funding in the instance of NGOs;
  - in a similar way to European programmes, it was solicited that the available sums for each session, as well as the percentage out of the project budget that the FCN will support, be specified.
- who decides?
  - The Council: the modification of the governmental ordinance provisions concerning the designation of six Council members by the association of creators with the highest number of members as they were considered by many participants as unrepresentative for the entire cultural sector. MCC is looking forward to counter-proposals.
  - The selection commissions: which will be the criteria for nominating the members of the selection commissions and who will be the agent for establishing their competence and what will be the means for this action?

The present situation:

- The governmental ordinance 10/2005 is now being discussed in the Senate and it will be introduced into discussion in summer/autumn in the Chamber of Deputies in view of its adoption by law;
- The methodological norms of application (which will be adopted through governmental ordinance after that the stipulations concerning FCN enter into force on June 30, 2005) are currently being drawing up by MCC.

Therefore, any suggestions regarding both the improvement of the governmental ordinance and the methodological norms can be sent to MCC at present.

### **Other mechanisms and financing resources**

- **The creation of a mobility fund** which should facilitate the collaboration between different cultural operators in Romania (artists, cultural managers) with international cultural organisations and which should facilitate the circulation of Romanian cultural products in the European and international space (The Platform of the Independent Sector – February 2005).
- **Mechanisms of support for European programmes:** besides the drawing up of a funding programme via which the contribution of Romanian partners in projects financed by European programmes is financed (lever stipulated by "the new FCN"), there is a need for setting up a buffer fund for ensuring the treasury advance payments necessary for the organisation of these programmes.
- **Private investments** – the development of a "culture" of investment in culture both through legislative improvements (the law of sponsorship, the CAN – National Audio-Visual Council stipulations) and through pro-active action in the cultural sector (campaigns for drawing funds through the 1% mechanism).

## **Annexes** (available in Romanian at [www.ecumest.ro](http://www.ecumest.ro))

- The debate agenda
- 10/2005 governmental ordinance (excerpts)
- The government programme in the cultural field
- Istvan Szakats's presentation: The Role and the Position of the Artist in the Romanian Society
- Delia Mucicäfts presentation: A New Mechanism for Financing Culture
- Corina Răceanu's presentation: Cultural Administration in Romania
- Details regarding the provisions of the 10/2005 governmental ordinance and its role within the ensemble of funding mechanisms in the cultural domain can be found in the material prepared by ECUMEST, available at [http://www.ecumest.ro/arcult/stire\\_05\\_02\\_09.htm](http://www.ecumest.ro/arcult/stire_05_02_09.htm).
- The Platform of the Independent Sector - February 2005

### **Other relevant materials:**

- The brief of the debate "Cultural Policies - alternative proposals in view of parliamentary elections 2004", organised by ECUMEST and SAR – the Romanian Academic Society (October 2004)
- "Cuvantul" Magazine: the series of articles on the topic "Does Romania Need a Cultural Strategy?", published within the period August 2004 - February 2005.