



We believe that cultural diversity is a resource. We want to see artistic creation and cooperation turn challengi ng experiences into creative encounter. And we aim to support a political culture in Europe that is built on resp ect for diversity

The ECF is one of Europe's leading cultural foundations. Across the broader Europe and its neighbouring regions, we stimulate and promote cultural cooperation and strong cultural policies. We give grants and run our own programmes in support of cultural cooperation in the arts and media; and we assist the development of cultural policies that help integrate Europe's diverse societies and Europe itself. Along with our many partner organisations, we seek to give culture a stronger voice and presence on the European political stage.

We believe passionately in the enriching experience of diversity and in the power of culture to promote mutual understanding

and respect. www.eurocult.org

Preface

In these times of extraordinary change, we can see how important culture has become in helping us live with new forms of diversity and thrive as a result of them. Culture has for too long been neglected in the 'European project'. Culture is not, however, the missing piece of the European puzzle: rather, it is the picture which its various pieces form.

Cultural diversity was brought into sharp focus in the ECF's thinking and in its work during 2006. This has enabled us to adopt a more unified approach to our various activities. More importantly, the new focus keeps us alert to the challenges of a key issue of our time: the diversity brought about by a rapidly changing Europe.

We are active in this area along with other players in the European cultural sector. In this context, the Civil Society Platform for Intercultural Dialogue was formed. Involving organisations from various sectors, the platform seeks to demonstrate good practice in the field of intercultural dialogue and influence policymakers in the run-up to 2008, the European Year of Intercultural Dialogue.

Supporting the creativity of young people has also become a strong and exciting feature of the ECF's activities. Along with our media partners, such as television broadcasters, cultural magazines and leading newspapers across Europe, we have been exploring and promoting popular youth culture, particularly in troubled environments.

One must look beyond the borders of Europe to understand the impact of diversity on European integration. For this reason, we set out in 2006 to engage views on cultural diversity from beyond Europe. We convened a Mediterranean Reflection Group that will encourage meaningful Europe.

Mediterranean dialogue and cooperation. We also funded research into the cultural aspects of European foreign policy. This was made possible by LabforCulture.org, an ECF flagship project that went live in June and is backed by many leading public and private sector organisations from across Europe.

The ECF continues to offer assistance where it is needed most, with a grants scheme that is now active in 54 countries, as well as mobility funds that support cross-border travel for artistic and cultural purposes, and an arts project that stimulates the cultural sector in troubled environments (e.g. Beirut). In the transition countries neighbouring the European Union, we assist cultural organisations to become key players of cultural change in their societies.

All of this valuable work has been made possible by the financial assistance of the lotteries in The Netherlands, particularly the BankGiro Lottery and De Lotto, whose support reaches the ECF through the Prince Bernhard Cultural Foundation.

In April 2007, my Presidency of the ECF will come to an end. It is rewarding to see what the ECF has achieved since the early days of my Presidency back in 1984, largely thanks to the outstanding individuals on the ECF's governing and advisory bodies, its management and staff team. I am delighted to announce that I can leave the Foundation in the able hands of my successor, HRH Princess Laurentien. With her energy, broad knowledge and commitment to the ECF's issues, she will further steer the Foundation in the coming years. Looking back with tremendous professional and personal joy on my work with the ECF. I am confident that the Foundation's future is bright!

HRH Princess Margriet of the Netherlands

President of the European Cultural Foundation

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...culture and the arts in an increasingly diverse Europe and a rapidly changing world. We help artists, journalists, cultural organisations and networks to innovate and cooperate. And we put young people centre stage in the unfolding drama of 'the European project'.

Many cultural organisations have their own innovative, exciting ideas for cultural projects – projects with cooperation, exchange and an understanding of diversity at their heart – but lack the financial means to realise them. We invite project proposals twice a year and experts help us select the best of these for financial support.

In 2006, we awarded 90 grants – that's one out of every eight who applied – to cultural organisations across Europe and even beyond. The average grant was around € 17,400, and the total amount granted € 1,566,239.

The supported projects help us to show policymakers how cultural cooperation really works. We are gathering the stories our grantees have to tell and constructing a kaleidoscopic narrative of European diversity. With our many partners, we helped tackle some of the acute cultural needs of the Western Balkans – a region that is moving away from conflict towards European integration – with a Balkan Incentive Fund for Culture. We supported 29 projects through this new fund in 2006 (see pages 14 and 21).

The ability of artists and cultural workers to travel, meet their peers, and engage in cooperative projects is essential for innovation in cultural life.

Our travel schemes support cultural mobility, especially of individuals intent on setting up new initiatives. In 2006, our main scheme, STEP beyond, spent € 82,935 financing 144 travels Europe-wide.

We offer young people media platforms for their inspiring creativity and opinions. Taking advantage of our workshops (in 2006: Rotterdam and Istanbul – see page 16), networking events and travel schemes, young cultural journalists broaden the debate on popular youth culture and other issues that affect them and therefore all of us.

And in theoneminutes project, we help young people (especially those who do not enjoy the same privileges as most of their peers) express themselves by capturing one minute of images on video. These short videos are shown on major TV channels, on giant screens in public spaces, and online (see the huge archive of youthful diversity at www.theoneminutesjr.org). The growth of the One Minutes – recently described as a 'mini world movement' – can be seen in the scope of theoneminutesjr workshops (fourteen in all in 2006, in nine countries, from Latvia to Finland, Serbia to Lebanon); and in the popularity of the 2006 One Minutes Festival, which had four separate ECF-supported junior awards.

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Believing that cultural diversity and integration are ripe for artistic exploration, we continued to work with a group of arts organisations on creatively exploring issues of confrontation, storytelling, research, hospitality and intimacy. Two projects were supported by our ALMOSTREAL arts initiative in 2006, one in Lisbon and another in Beirut (see page 12).



ALMOSTREAL

Beirut is a city with no shortage of stories to tell. But many of the city's artists find themselves restricted by scarce funds and complex problems, often involving freedom of expression.

The team behind the ECF arts project ALMOSTREAL – which is devoted to open artistic exchange, especially in areas of conflict – chose to support Lebanon's alternative cultural scene in the hope that policymakers and funders will rethink their priorities.

Seizing on a new trend among the city's young artists for experimenting with digital art, ALMOSTREAL commissioned (through its partner in the region, Ashkal Alwan) several video works by emerging Lebanese artists.

Storytelling in Beirut

Artists in Lebanon often have to premiere their work abroad, and international interest tends to cherry pick artistic work while ignoring local needs. That's why ALMOSTREAL commissions work that can be realised and shown locally before it is exported.

Despite all its difficulties, Beirut retains a daring openness unrivalled in the Middle East. Multimedia, digital and interactive art forms are helping to make the city a creative hub of vital significance both to the local contemporary arts scene and to the development of the arts in the region. ALMOSTREAL continues to play a part in nurturing this vitality.

€ 143,480 was allocated to ALMOSTREAL from the budget line Programme Activities.

You want to organise a visual arts exchange project in Tirana, or improve standards of architecture and urban planning in Pristina, or establish a platform for contemporary dance across the Western Balkans. Where do you go for support?

The Balkan Incentive Fund for Culture is managed by the ECF grants scheme and supports projects by applicants from Albania, Bosnia-Hercegovina, Croatia, Macedonia, Serbia, Montenegro, and Kosovo.

The fund responds to an urgent need in South East Europe for cultural funding at a time when the international community is preoccupied with other parts of the world, the EU is not yet prepared to help, and international funders are withdrawing support.

The original founders of the fund – the ECF, the Dutch humanist organisation Hivos and the Open Society Institute – were later joined by the Dutch Ministry of Foreign Affairs, the King Baudouin Foundation and the Swiss Agency for Development and Cooperation. The fund granted 29 projects a total of € 499,458 in 2006 – its first year of operation.

One of the supported projects deals with the phenomenon of 'internal exile' in a region where identity is confusingly fluid and places are renamed or their names disputed.

Film, poetry, music and debate will explore the experiences of those people who, without having moved anywhere, suddenly find themselves in a different country.

€ 526,831 was allocated to the Balkan
Incentive Fund for Culture from the budget
lines Grants Allocated and Grants
Coordination and Evaluation.

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Who censors what we hear - even down to the music we listen to? How can the young tune in to stories of other cultures, other lives? In what ways does hip hop, with its roots in the U.S., voice the everyday concerns of young Europeans?

In 2006, two ECF media workshops - one in Istanbul, the other in Rotterdam - looked at how the media covers these and other issues of youth and popular culture. Our media workshops offer vital insights into different cultural and journalistic practices, as well as chances for all involved to debate and collaborate.

Cultural and hip hop journalists, choreographers, designers, filmmakers.... Those who took part in November's Rotterdam workshop were excited by the prospect of European exchange within a young people's medium like hip hop. This meeting of youthful minds was organised by the ECF, the Dutch newspaper NRC Handelsblad, and the hip hop film festival, Blacksoil.

Two months earlier, at a workshop organised by the ECF and Turkish magazine Bant, popular culture journalists from twenty countries teamed up in Istanbul with Turkish journalists and culture professionals. Result? Not just wide media interest in the issues discussed (such as street art and music censorship), but article exchanges, joint publications... and a 2007 follow-up in Casablanca.

€ 215,988 was allocated to ECF Media from the budget line Programme Activities.

Grants awarded

in 2006

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ECF Grants Awarded
Ariergarda Cultural Association Romania 2,900 www.ariergarda.go.ro
Art Link Serbia-Montenegro 10,000 www.artlink.org.yu
Artscenico Germany 30,000 www.artscenico.de
Association City of Women Slovenia 10,000 www.cityofwomen.org
Association for the Development of Modern Dance in Moldova Republic of Moldova 19,830
www.iatp.md/contemporarydance www.addm-contemporary.com
Associazone Culturale aMAZEIab Italy 17,200 www.amaze.it
ATREE - Théatre-Ecole d' Aquitaine France 22,500 www.theatredujour.fr
Az Theatre United Kingdom 17,000 www.aztheatre.org.uk
Bildmuseet Sweden 20,000 www.bildmuseet.umu.se
BM Contemporary Art Centre Turkey 23,270 www.btmadra.com
Calvaria Publishing House Foundation Ukraine 29,000 http://en.calvaria.org/about.php
Central and East European Book Projects the Netherlands 112,163 www.ceebp.org
CENTRALA - Foundation for Future Cities the Netherlands 25,000 www.europelostandfound.net
Centre for Applied Cultural Management Ukraine 8,880 www.cacm.odessa.ua
Centre for Art Management and Information - MMIC Latvia 20,000 www.mmic.lv
Cinémathèque de Tanger Morocco 22,000 www.cinemathequedetanger.com
Ciplac Ayaklar Kumpanyasi Turkey 20,000 www.ciplakayaklar.com
Civic association Fléda Czech Republic 15,000 www.slampoetry.cz
Dutch Foundation for Literature the Netherlands 6,626 www.writerinresidence.nl
Eufonia Italy 10,000 www.astragali.org
European Council of Artists Denmark 10,000 www.eca.dk
Foundation - Center for Contemporary Arts Slovakia 25,000 www.scca.sk
Four Days Czech Republic 18,000 www.ctyridny.cz
Full house promotion Greece 25,000
FUSIC Spain 10,000 http://www.fusic.org
Galerija Balen Croatia 10,000 www.galerijabalen.net
Göteborg Dance & Theatre Festival Sweden 15,000 www.festival.goteborg.se
HORS FORMAT France 12,000
Institute for art production KITCH Slovenia 26,000 www.kitch.org
Institute for culture resistant goods Austria 20,000 www.kulturresistent.net
Intercult Sweden 27,250 www.intercult.se
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Israeli Centre for Digital Art Israel 15,000 www.digitalartlab.org.il

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It's the Netherlands 2.500 www.itsfestival.nl
Koman Foundation Turkey 15,500 www.koman.org
KUD Pozitiv Slovenia 25,000 www.pozitiv.si
Kultur Aktiv e.V. Germany 5,000 www.kulturaktiv.org
Kulturno drustvo Codeep Slovenia 18,500 www.codeep.org
L' Officina France 18,900 www.dansem.org
Latvijas Zala kustiba Latvia 8,000 http://www.urbantrip.lv http://utrip.livejournal.com http://www.zalie.lv
Loesje International Germany 6,695 www.loesje.org
Love Difference Italy 15,000 www.lovedifference.org
MAMAPAPA Czech Republic 25,000 www.mamapapa.cz
NIFCA Nordic Institute for Contemporary Art Finland 20,000 www.nifca.org
Northern Arts Tactical Offensive United Kingdom 25,000 www.nato.uk.net
Nuproductions Norway 4,000 www.numusic.no
Ons Erfdeel Belgium 10,000 www.onserfdeel.be www.onserfdeel.nl
Pépinières européennes pour jeunes artistes France 8,825 http://art4eu.net/
Pro Rdopi Foundation Bulgaria 22,975 www.satores.net
Remus Theatre Association Poland 15,732 www.toutja.com/remus
Rotor Kosovo 6,000 http://rotor.mur.at
SIA Ego Media Latvia 15,550 www.skanumezs.lv
Sputnik Photos International Association of Photojournalists Poland 25,500 www.sputnikphotos.com
Stichting De Balie the Netherlands 25,000 www.debalie.nl
Stowarzyszenie Teatralne Teatr Biuro Podrózy Poland 18,000 www.tbp.ipoznan.pl
THE SERIOUS ROAD TRIP France 2,000 www.theseriousroadtrip.org
Theatre Tsvete Bulgaria 14,985 www.theatretsvete.org
To the Beat Denmark 4,500 www.tothebeat.dk
Vrede van Utrecht the Netherlands 10,000 www.vredevanutrecht.nl
Walkscreen Germany 24,000 www.walkscreen.de
Young Arab Theatre Fund Belgium 10,000 www.yatfund.org
Youth Association of Tolmin Slovenia 10,000 www.sajeta.org www.kivem.org www.posocje.net
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Total Balkan Incentive Fund for Culture grants 499,458

Total ECF grants 1,066,781

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Total Grants Awarded in 2006 1.566.239

european cultural foundation | report 2006 | grants awarded

Balkan Incentive Fund for Culture

This funding line for cultural development in South East Europe was set up by the ECF in partnership with HIVOS (the Dutch Humanist Institute for Cooperation with Developing Countries) and the Open Society Institute. The fund also receives support from the Swiss Agency for Development and Cooperation, the Dutch Ministry of Foreign Affairs (DCO) and the King Baudouin Foundation.

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AKCIJA Sarajevo - Agency for cultural development Bosnia-Hercegovina 29,000 www.akcija.ba
Andersen Friends Association Albania 20,000
Archis Intervention Prishtina Kosovo 10,000 www.archis.org
Arcs - Arci Cultura e Sviluppo Italy 14,000 www.arci.it
Art Alb Art Albania 5,000 www.artistetshqiptare.com
Association Clubture Croatia 15,000 www.clubture.org
Atelier Varan Belgrade Serbia-Montenegro 20,000 www.varan.org.yu
Comic Centre of Macedonia 10,000
Cultural Centre MEDIA ARTES Macedonia 25,000 www.metamorphosis.org,mk/seminar_voved_nvo2003/1/projects1.htm
Deutsches Filminstitut Germany 25,000 www.filmfestival-goEast.de
Fico Ballet Slovenia 22,000 www.ficobalet.org
Jeunesses Musicales Macedonia Macedonia 14,790 www.jmm.org.mk
Kontejner Croatia 25,000 www.kontejner.org
Kraja - association Austria 22,718 www.kraja.org
KUD Balkanika Slovenia 20,000 www.Balcanis.org
Kulturtreger Croatia 20,000 www.booksa.hr
Multimedia Institute Croatia 4,100 www.mi2.hr
Nisi Masa France 11.620 www.nisimasa.com
Omen Serbia-Montenegro 19,500 www.cyberrex.org/omen
Organisation for Development and Democracy Bujanovac Serbia-Montenegro 15,000 www.ordbujanovac.com
Performing Arts Centre MULTIMEDIA Macedonia 20,000 www.multimedia.org.mk
Platforma 9,81 Croatia 29,800 www.platforma981.hr
Smart Kolektiv Serbia-Montenegro 15,000 www.smartkolektiv.org
Spectrum Croatia 10,000 http://spectrum.blog.hr
Stacion CCA Kosovo 25,600 www.stacion.org
Tanzelarija Bosnia-Hercegovina 10,380 www.tanzelarija.org
Tirana Institute of Contemporary Art Albania 27,950* www.tica-albania.org
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YUSTAT Centre Serbia-Montenegro 13,000 www.yustat.org

^{*} This figure is the total of the two grants awarded to the Tirana Institute

grants applications partners

Russia 0 4 0

Egypt 0 1 0

As this ECF grants map reveals, our funding reached the cultural sector throughout **Europe and even** further afield in 2006. Here you can see the number and location of grants awarded, applications received, and partners involved.

For example, 24 applications for grants were received from organisations in Croatia in 2006, of which 7 were successful, with 12 organisations from **Croatia being** involved as partners in other supported projects.

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Iceland 0 0 1
                                Faroe Islands 0 0 1
                                                                                                                 Finland 1 7 1
                                                                     Norway 1 2 0
                                                                                            Sweden 3 13 5
                                                                                                                Estonia 0 4 2
                  Ireland 0 6 2
                                                                                                              Latvia 3 13 2
                                                                 Denmark 2 6 1
                           United Kingdom 2 39 10
                                                          The Netherlands 5 85 10
                                                                                                  Poland 3 25 5
                                                  Belgium 2 15 4
                                                                    Germany 5 34 11
                                                                                               Czech Republic 3 18 3
                                                    Luxembourg 0 0 0
                                                                      Austria 3 8 6
                                                   Switzerland 0 6 0
                                                                                            Slovenia 7 23 10
                              France 6 40 8
                                                                                               Croatia 7 24 12
Portugal 0 6 0
                                                                        Italy 4 25 8
               Spain 1 5 7
                                                                                                     Albania 4 16 11
                                 Algeria 0 0 1
                                                                       Malta 0 3 0
Morocco 1 1 2
                                                         Tunisia 0 0 1
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Lithuania 0 3 1
                           Belarus 0 0 2
                                           Ukraine 2 13 7
          Slovakia 1 12 4
                                                            Armenia 0 0 2
            Hungary 0 12 4
                                      Moldova 1 6 4
                          Romania 1 25 2
                                                    Palestinian Territories 0 5 4
                              Bulgaria 2 24 8
Bosnia- Hercegovina 2 24 9
           Serbia-Montenegro 6 68 23
                                                                      Syria 0 1 1
       Macedonia 4 36 11
                                                               Lebanon 0 1 1
            Kosovo 2 5 8
                                                              Israel 1 6 1
                                  Turkey 3 11 5
            Greece 1 1 1
                                                                      Jordan 0 0 1
                                 Cyprus 0 3 2
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one that leads to greater respect for diversity. We try to ensure that those who 'create culture' are involved in making decisions about culture. We work with partner organisations and networks to advance the cause of cultural cooperation, and in turbulent environments we help to strengthen the structures that support cultural life. We stimulate research and reflection on serious cultural challenges for Europe, always with a view to finding practical solutions.

And we are not alone. We are supported in the Netherlands by our ECF 'Circle of Friends' and across Europe by our National Committee network. In 2006 we got together with organisations that deal with a range of issues – including cultural, social and educational issues. The alliance we formed (see page 26) will point out shining examples of intercultural dialogue throughout Europe and work to make 2008 a successful European Year of Intercultural Dialogue. Adding a cultural dimension to the projects of the Network of European Foundations (NEF), we also joined with other foundations in exploring a key issue of our time: the benefits and challenges brought to Europe by migration.

In so-called 'transition' countries just beyond the European
Union, where the cultural sector tries its best to operate in
difficult circumstances, we offer expert assistance to cultural

organisations and public institutions. We've worked in this field for many years and the results demonstrate that policymakers and the cultural sector achieve much more when working closely together. In 2006, ECF Capacity Development was active in Turkey, Kaliningrad (Russia), Slovakia, and the southern Mediterranean.

As well as providing practical assistance, we promote new thinking on European cultural policies. We developed the Cultural Policy Research Award along with the Riksbankens

Jubileumsfond: three years and three winners later, the CPR

Award has helped strengthen a network of young cultural policy scholars. Just as importantly, it has enabled important research projects to be realised. And an influential piece of cultural policy research – launched by the ECF's flagship project,

LabforCulture – assisted the ECF in preparing a groundbreaking conference on EU foreign policy and culture (due to take place in March 2007).

Our reflection process on the Western Balkans culminated in the publication *The Heart of the Matter* and in a new cultural fund for the Balkans. By then we had already entered into dialogue with cultural activists from North Africa, the Middle East and Turkey to form a new Mediterranean Reflection Group. The Group's findings and activities should help Europeans view the region afresh and engage with it positively.

A new diversity stemming from migration is adding a complex dimension to Europe's historic variousness. Both sorts of 'difference' are being explored by the **Civil Society Platform for Intercultural Dialogue**, an initiative launched in 2006 by the ECF and the European Forum for the Arts and Heritage.

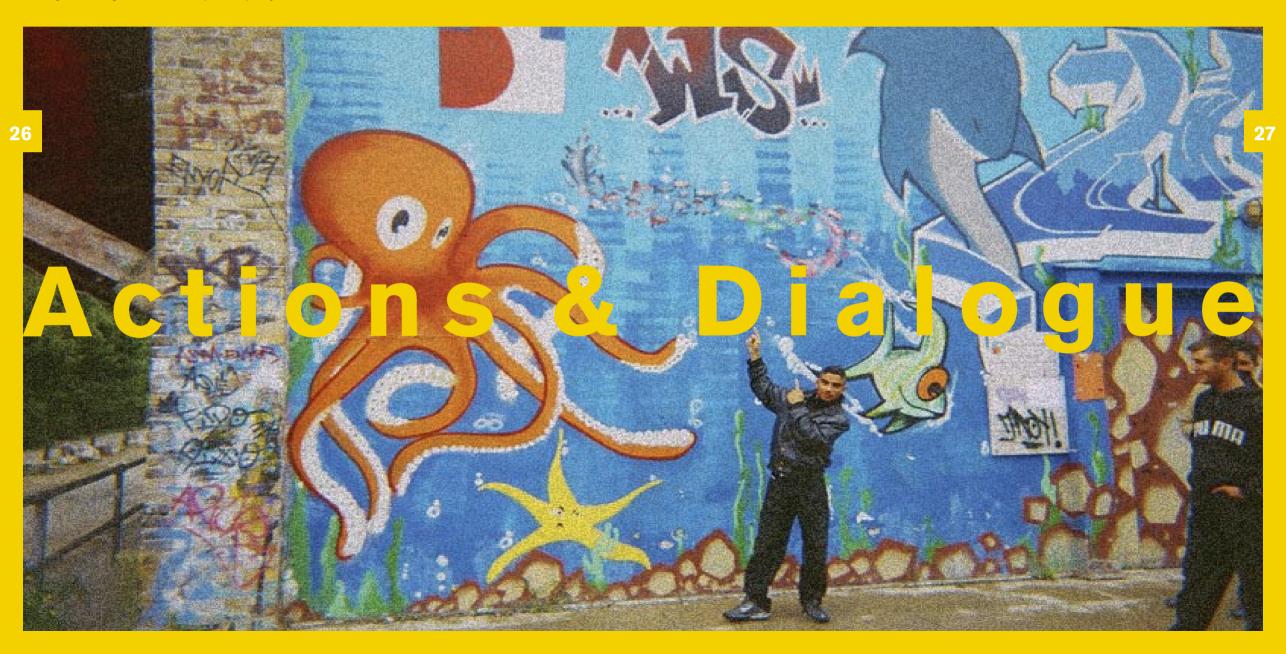
To what end? First of all, to share the thinking and work that underpins intercultural dialogue. Organisations across several sectors – including cultural, educational, youth and human rights – are speaking to one another through the new platform and comparing and contrasting experiences.

All sectors need to have a voice in this debate. But talk must result in deeds: well-defined policies, clear strategies, making a measurable impact on policymakers.

NEF, the umbrella organisation for Europe's foundations (many of which are actively engaged with intercultural matters), has joined the platform and offered it practical support. And this platform which has mobilised so much of civil society on such an important issue has also been welcomed by the European Commission as a dialogue partner at European level.

The platform met for the first time in Brussels on 24 November 2006. It should boost intercultural policy and practice in individual EU countries and in the EU itself. It will be crucial for the success of the 2008 European Year of Intercultural Dialogue. And crucial in furthering this dialogue well into the future.

€ 40,000 was allocated to the Civil Society Platform for Intercultural Dialogue from the budget line Cultural Policy Development.



Two years ago, a national conference on cultural policy was held in Istanbul. Among those who wished to continue the discussion more locally was a delegation from the Anatolian city of Kars.

This was the prelude to a long-term ECF-led initiative in Anatolia, an initiative devoted to improving the skills and structures needed for good cultural policymaking in this vast region of Turkey.

In 2006, ECF 'capacity development' training and action projects were carried out in Turkey, Russia, Slovakia, and the southern Mediterranean.

The common factor? Assisting the cultural sector in uncertain environments to become strong enough to influence cultural policy and cooperate internationally.

Local expertise and locally developed ideas are paramount. The aim is to have long-term, 'joined-up' thinking when it comes to developing local cultural policies.

This involves improving the skills of independent cultural organisations and publicly funded cultural institutions alike; and bringing together artists, cultural workers, and local authorities for joint consultations and decision-making.

In Kars, in other Turkish cities, in countries and regions inside and bordering the broader Europe, the cultural sector wants to have a voice and a clear idea how to put good policy ideas into practice. Our capacity development work responds to these needs and makes a difference where it counts: locally.

€ 472,199 was allocated to ECF Capacity Development from the budget line Cultural Policy Development.





What do Europeans working in the cultural field really know about the conditions experienced by their peers in North Africa, or the Middle East, or Turkey? Sadly, very little. All too often, this poor awareness prevents genuine cooperation from taking place.

In 2006 the ECF set up a Mediterranean Reflection Group to help bring authentic and open cooperative relations between cultural partners across the Mediterranean.

Setting the agenda and providing their own analysis, 'Mediterranean' artists, practitioners and intellectuals were joined by some European partners at the Group's first meeting in Amsterdam on 3 & 4 July 2006.

They agreed, among other things, to look deeper into issues of governance and the position of

non-governmental organisations, the artistic struggle for audiences at home and abroad, and the impact of international as opposed to local funding. Already this reflective body has taken some concrete steps. Interviews, stories and essays are being commissioned and will appear online and in print. Locally, the various partners are arranging meetings and debates in cooperation with the ECF. The feasibility of an experimental North-South mobility scheme is being looked into.

Contemporary art from the Arab world is becoming increasingly popular in Europe. The work of the Mediterranean Reflection Group should add to this popularity a real knowledge and readiness for cooperation.

€ 68,280 was allocated to the Mediterranean Reflection Group from the budget line Cultural Policy Development



Honsteinus symposium

Launched in June 2006, the ECF's flagship initiative

LabforCulture.org is already Europe's largest online
community on cross-border cultural cooperation.

This vast cultural information and resource initiative was
set up in response to the European Parliament's Ruffolo
Report – a report which highlighted the dearth of
accessible information on border-crossing cultural
cooperation in Europe.

LabforCulture.org gives artists, cultural managers, funders, researchers and others the vital info they need, and in five different languages: English, French, German, Polish and Spanish. They can find out about funding opportunities, get cultural news from across Europe, discover who's who in culture from a huge directory, access resources for cultural research, give visibility to their own work... and more.

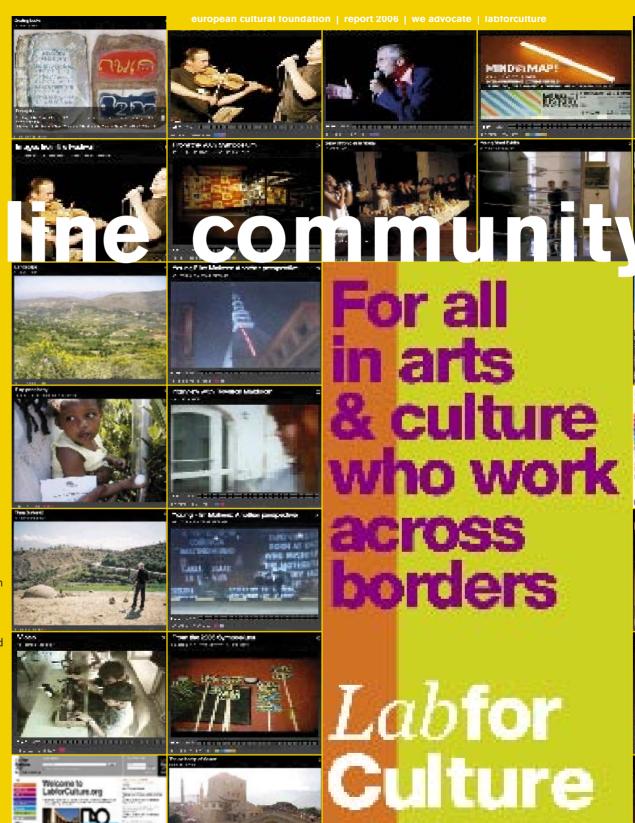
We formed a unique public-private alliance to form, fund and help steer this resource bank of effective cultural practice – with substantial contributions from the European Union too.

Stakeholders and partners from the cultural field contributed to the site's initial content. Now all of those who use LabforCulture.org (over 30,000 unique visitors in its first six months) can add their own content to the site. They can also create a blog, join discussion forums, network with their peers online, and personalise their own LabforCulture.org profile.

From a research perspective, two key areas being tackled by LabforCulture.org are mobility in European arts and culture and possible cultural components of EU foreign policy.

Katherine Watson succeeded Bettina Knaup as Director of LabforCulture.org in autumn 2006. She is committed to connecting artistic communities through new information technologies and to sustaining the initiative beyond its pilot phase, which has begun so successfully.

€ 995,273 was allocated to LabforCulture according to its own budget line



urban areas.

cultural diversity is a resource while acknowledging that it presents real challenges to us all. We want to see artistic creation and cooperation turn difficult experiences into creative encounter. And we

want to support a political culture in the European Union that is built

on respect for diversity and takes culture seriously both internally and

in its dealings with the rest of the world.

In 2006 we began consciously streamlining and focusing our activities so that we could better respond to the challenges of cultural diversity in Europe – not only those regional differences which have characterised European diversity for centuries, but also the 'new diversity' that has flowed from recent migration, especially to major

So, for instance, in our recent media work on popular youth culture we explore the role played by young people in Europe's large multicultural cities as interpreters of cultural diversity, harnessing the power of imagery for forcefully direct communication. And many of the projects we support through our grants scheme are selected because they help us understand and *live* diversity.

With 2008 being designated the European Year of Intercultural

Dialogue, the ECF teamed up with the European Forum for the Arts and

Heritage to establish a platform that will give civil society a voice and a

presence in the preparations for 2008 – and beyond. Representatives of

21 organisations from the cultural and social sectors met in Brussels on 24 November 2006 for the first meeting of the Civil Society Platform for Intercultural Dialogue. They agreed that this European initiative should be relevant at local level where intercultural dialogue is vitally needed. Numerous other organisations have since signalled their desire to join the platform.

We have also tackled the issue of cultural diversity through our flagship initiative LabforCulture. An example of this at a global level is our exploration of the willingness of key actors to have a structured cultural component to the EU's external relations policy: in other words, consciously including culture in its considerations when dealing with the rest of the world. Two research publications have now been produced on this issue, and a major conference is being prepared.

Diversity begins at home! The ECF has used the first year of its new focus to look at its own methods of working in relation to diversity. It has gone out to meet the cultural sector and canvassed opinion. Its staff team has begun its own internal reflection process on the subject. The ECF website has been adapted to reflect the new focus and also host the material produced. The Foundation is showcasing examples of its diversity work at events and will also do so through an online exhibition.

2006 was Year One of our new focus. Look out on our website and in future Annual Reports for news of where the focus is at and where it is headed next.

Diversity's Byways

What the tourist's eye sees can be deeply revealing. When that 'tourist' is an artist, a cultural worker, a journalist, then it's likely that fascinating words and images will accompany the observations.

As part of our diversity focus, we have been preparing an exciting online meeting-place where artists and cultural workers can swap tales of cultural diversity. They will be able to place their stories, images and individual profiles on the new interactive site, making it an inspiring place for creative exchange and cooperation on diversity in Europe.

As a small taster of what to expect when the site goes live in summer 2007, our website (www.eurocult.org) has been featuring the artistic impressions of anthropologist and documentary filmmaker Janine Prins. Janine's *Expeditie Europa* aims to discover 'the blind spots on the European cultural map'.



Week seven saw Janine leave Italy and cross the Adriatic, heading for Croatia....

Reality is on the whole more diverse, colourful and so-called modern. At least in the city of Split with Roman relics as well as the latest super yachts – and everything in between, though not yet full of global brands.

Something else I expected to find were visible expressions of national pride.
Local produce presented itself through farmers markets, beer, fruit juices, but equally often military heroism. Gotovina is often portrayed along the roads as a national hero, whilst being held in The Hague waiting for his trial. When is nationalism productive, when destructive?

What would be the situation in the art scene? Many galleries full of pleasing commercial paintings that fit various interior decorating colour schemes.

Some museum and gallery exhibitions supported by the Ministry of Culture, showing classic work of established native artists. Yet there is an art school in Split – where can we find the work of its graduates? Sadly, nowhere. The alternative scene had nothing on display at the time of our visit, except its cosy wall drawings of course, which had more to do with love than anger.

€ 3,570 was allocated to photographer Janine Prins from the budget line Programme Activities



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Why We Need European Cultural Policies by Nina Obuljen

This contains the fruits of a research project supported by the Cultural Policy Research Award, of which Nina Obuljen was the first ever winner. Formerly a Research Fellow at the Institute for International Relations in Zagreb and now Croatia's Assistant Minister of Culture, Obuljen explores here the impact of EU enlargement on cultural policies in transition countries. 'I wanted to see if the EU's often publicly declared priority of promoting cultural diversity and "unity in diversity" was really accompanied by the most effective policy instruments,' Obuljen writes. The book was edited by Janet Hadley and published by the ECF. It can be downloaded from the Award's website (www.cpraward.org).

The Heart of the Matter

Published in September 2006, this book records the work of the ECF Balkan Reflection Group, which explored the role of the arts and culture in the Balkans' European integration. Featuring co-editor Chris Keulemans' insightful summary of the Reflection Group's debates, the book also includes short articles by some of the Group's cultural and political experts. The authors face up to the bleak realities of the Balkan conflict and its aftermath, but are not without hope. As Sreten Ugričić writes: 'Throughout the Balkans, artists are displaying the sort of intelligence which might be the most positive force emerging from these traumatised and disillusioned societies.' The book can be downloaded from www.eurocult.org/uploads/docs/361.pdf.

Website (www.eurocult.org)

The ECF website was redesigned to be contemporary and easy to navigate. This is where to go to get the fullest information about the ECF and to see our work illustrated. Starting from the homepage, you can quickly discover what projects and initiatives we are supporting, how we are advocating cultural cooperation in Europe, and what are the latest developments in our focus on cultural diversity. An agenda of forthcoming events and news about recent ones can be accessed from the homepage, and there is a link to a visual showcase of our work. The site's redesign prompted an overhaul of all communication material, including new information folders and postcards.

E-zine

Seven E-zines (or digital newsletters) appeared in 2006. A new format coincided with the relaunch of the ECF website. Each E-zine goes out to 5000 readers, bringing them our top stories. You can subscribe from the 'Follow Us' section of the ECF homepage. We also produce a special Dutch version of the E-zine.

While remaining autonomous and pursuing their own programmes of activities, our **National Committees** help us to pursue our cultural mission throughout Europe. They are made up of individuals who are distinguished in various fields and who share our goals and values. Often the Committee is closely related to a 'befriended organisation' of the ECF's (e.g. the Villa Decius Association in Poland). The network is undergoing a process of change (as discussed by the Committees on 20-23 October 2006) which should see the Committees become flexible, active 'fora', supported by the ECF in cooperating with one another and acting regionally where possible.

As well as pursuing their own local and regional activities, the Committees act as important sources of information for the ECF in Amsterdam, as 'antennae' and ambassadors in their respective contexts. Distinguished individual members assist us in achieving our advocacy goals. The Committees also help us to develop an informed opinion on European diversity, which is of great importance for our focus on the 'experience of diversity'.

An ECF **Circle of Friends** replaced the Dutch Committee. This change reflects the unique relationship between the ECF and its host country. The initial meting of the Friends took place at the Palace of Het Loo in June 2006. Hosted by HRH Princess Margriet (President of the ECF) and HRH Princess Laurentien, the meeting was attended by thirty leading individuals from the worlds of culture, the media, politics and industry, with contributions by novelist Geert Mak and former Minister of Economic Affairs Laurens-Jan Brinkhorst.

The Committees debate issues and launch projects of European relevance in local contexts. Here are just a few examples:

In 2006, the **Central European Committees** addressed the role of 'migrant writers' in European literature.

The **Swedish Committee** invited Sonja Licht, President of the Belgrade Fund for Political Exellence and ECF Board member, to give a lecture on 'Reconnecting the Western Balkans with Europe – the Role of Arts and Culture'.

A seminar organised by the **Finnish Committee** considered the employment prospects of immigrants in Finland as well as multiculturalism in society from national and European perspectives.

(not least in terms of economic competitiveness), with suggestions of how to reverse this decline.

In 2006 the Visegrad Summer School run by the Villa Decius Association (the **Polish Committee**) looked at what 'being European' means, and considered the EU agenda for Ukraine and Turkey,

especially the role of Visegrad countries in their European integration.

The **Irish Committee** concluded a comprehensive research with a publication on the professional training of staff in the public health sector, which now deals with a growing population of new communities in Ireland. At the Committee's AGM, videos made by young people involved in the ECF's oneminutesir initiative featured in a lecture on Irish film in a European context.

AUSTRIA

Austrian Committee of the European Cultural Foundation

c/o Institut für die Wissenschaften vom Menschen

Ms Susanne Froeschl e-mail: froeschl@iwm.at

BULGARIA

Bulgarian Committee of the ECF

C/o Kliment Ohridski University

Ms Tsveta Andreeva e-mail: c.andreeva@mc.government.bg

CYPRUS

Cypriot Committee of the European Cultural Foundation

C/o Municipal Arts Centre

Mr Yiannis Toumazis, Secretary General e-mail: toumazis@spidernet.com.cy

CZECH REPUBLIC

Czech Committee of the European Cultural Foundation

c/o Multicultural Centre Prague

Mr Jakob Hurrle e-mail: research@mkc.cz

FINLAND

Euroopan Kultuurisäätiö Suomen Osasto

Ms Sari Aalto, Secretary e-mail: sari.aalto@eurocult.fi www.eurocult.fi

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GERMANY

Deutsche Vereinigung der Europäischen Kulturstiftung (ECF)

Dr Olaf Schwencke, President e-mail: olaf.schwencke@t-online.de

GREECE

Greek Committee of the European Cultural Foundation

Ms Lisa Mousis, President email: lmousis@yahoo.com

HUNGARY

Hungarian Committee of the European Cultural Foundation

Ms Judit Rajk e-mail: ecf@freemail.hu

IRELAND

Irish National Committee of the European Cultural Foundation

Mr Jim O'Donnell, Director e-mail: info@apocc.irlgov.ie

POLAND

Polish National Committee of the European Cultural Foundation

c/o Villa Decius

Ms Danuta Glondys, Director e-mail: dglondys@villa.org.pl

PORTUGAL

Portuguese Committee of the European Cultural Foundation

c/o Centro Nacional de Cultura

M. Guilherme d'Oliveira Martins, President e-mail: gom@cnc.pt

SWEDEN

Svenska Nationalkommitén för Kulturellt Samarbete i Europa

Ms Ulla Rasch Anderson, Executive Secretary e-mail: ulla.raschanderson@bredband.net

SWITZERLAND

Europäische Kulturstiftung - Schweitzer Komitee

Ms Celine Nerny, Director e-mail: celine.nerny@pd.admin.ch www.eurocult.ch

UNITED KINGDOM

European Cultural Foundation

U.K. Committee

Mr Rod Fisher, Director e-mail: ecf@intelculture.org http://www.intelculture.org/html/ecf.shtml

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Board and Advisory Council

The Board is the Foundation's decision-making body. It consists of a minimum of 5 and a maximum of 12 members, including a Treasurer, Chair and Deputy Chair. The Chair and Deputy Chair act as the Foundation's two Vice Presidents. The President of the Foundation, HRH Princess Margriet of the Netherlands, is an Extraordinary Member of the Board.

The Board is responsible for deciding on the finances and the overall strategy of the Foundation and defines its priorities in consultation with the Advisory Council. It also supervises the Foundation's grants policy.

The Advisory Council, a larger body than the Board, is chaired by ECF's President. It meets at least once a year, in conjunction with one of the meetings of the Board. The Advisory Council is composed of professionals who have excelled in their chosen field – be it cultural, intellectual, economic or political. Their advice and support reflects European diversity.

Advisory Council as at 31 December 2006

Chair

HRH Princess Margriet of the Netherlands (NL) *

Members

Mr Jaak Aaviksoo (EE) Rector, University of Tartu

Mr Waldemar Dabrowski (PL) Former Minister of Culture, Poland

Ms Andrée van Es (NL) Former M.P. Consultant

Ms Rayna Gavrilova (BG) Former Deputy Minister of Culture, Former Executive

Director Open Society Foundation/Sofia, Director of

Trust for Civil Society in CEE

Mr Rien van Gendt (NL) Executive Director, Van Leer Group Foundation

Ms Ekaterina Genieva (RU) Director General, Library for Foreign Literature

Ms Laura Kolbe (FIN) City Counsellor Helsinki, Professor, Helsinki University

Mr Jean-François Leguil-Bayart (F) Professor; member, Centre d'Etudes des Relations

Internationales, Institut d'Etudes Politiques

Président du Fonds d'Analyse des Sociétés Politiques

Lord Robert Maclennan of Rogart (UK) House of Lords Spokesperson on Europe, Member of the House

of Lords

Mr Wolfgang Petritsch (A)

Austrian Federal Ministry for Foreign Affairs, Permanent Mission

of Austria to the United Nations

Mr Jacques Pilet (CH)

Journalist and Adviser to the Director, Ringier SA, Switzerland.

Mr Erik Rudeng (N)

Director of the Freedom of Expression Foundation (Fritt Ord)

Mr Paul Scheffer (NL) Writer, journalist

Mr Jacques H. Schraven (NL)

Deputy Chairman of the Corus Group plc, Chairman of the

Supervisory Board of Corus NL B.V.

Duke Karl von Schwarzenberg (CH/CZ) Minister of Foreign Affairs

Mr Görgün Taner (TR) Director Istanbul Kültür ve Sanat Vakfi

Mr Vassilis Voutsakis (GR)

Lecturer, University of Athens; Former Adviser on Culture to

Premier Simitis

Observers to the Advisory Council

HRH Princess Laurentien of the Netherlands (NL) *

Ms Adriana Esmeijer (NL)

Director, Prince Bernhard Cultural Foundation

Mr Cees G.A.A. Brekelmans (NL) Prince Bernhard Cultural Foundation

Mr Max Sparreboom (NL) Director, Praemium Erasmianum Foundation

Representative of Directorate General IV, Council of Europe

Board as at 31 December 2006

HRH Princess Margriet of the Netherlands (NL)

(President of the Foundation and Extraordinary Member of the Board)

Chair

Ms Kathinka Dittrich van Weringh (D) (Vice President of the Foundation)

Former Director of Goethe Institutes and former City Counsellor

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for Culture, Köln

^{*} also an Extraordinary Member of the Board

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Deputy Chairman

Mr Morris Tabaksblat (NL) (Vice President of the Foundation)

Chairman, Reed Elsevier; former CEO of Unilever

Treasurer

Mr Gerard Kalff (NL) Former Senior Executive Vice President, Netherlands Division

ABN AMRO Bank

Members

Mr Dan Brändström (S) Director, Riksbanken Jubileumsfond (National Bank

Foundation)

Ms Katerina Brezinova (CZ) Director of Programmes, Multicultural Center Prague

Professor University of Prague

Mr Laurent Dréano (F) Direction Générale de la Culture, Mairie de Lille

Mr Piero Gastaldo (I) Secretary General, Compagnia di San Paolo Foundation

Chairman of the Executive Board of the European Policy Centre, Mr Hywel Ceri Jones (GB)

Brussels Former Director General, European Commission

Director of NEF (Network of European Foundations)

Ms Sonja Licht (YU) President, Belgrade Fund for Political Excellence

Mr Luc Tayart de Borms (B) Managing Director, King Baudouin Foundation

Mr Andras Török (H) Former Deputy Minister of Culture; Director, Summa Artium

Observer

HRH Princess Laurentien of the Netherlands (NL)

Mr Cees Brekelmans (NL) Representing the Prince Bernhard Cultural Foundation

The Foundation would like to thank the following, now former members of the Board and the Advisory Council for giving so generously of their time during their term of office.

Mr Markus Örn Antonsson (IS) Director General, Icelandic National Broadcasting Service

Mr Jon Bing (N) Professor in Computers and Law, University of Oslo Ms Désirée Edmar (S) Former Director, Swedish Museum of Natural History

Consultant for the Swedish Ministry of Education

External Advisers

External Advisers

The external grant advisers assess the ECF grant applications.

The external advisers to the STEP beyond mobility team assess the STEP mobility grant applications.

External Advisers for the ECF Grants programme

Ms Jeanneke den Boer (NL)

Ms Ira Cecic (SLO) Mr Mik Flood (UK)

Ms Christel Hartmann-Fritsch (D)

Mr Ondrej Hrab (CZ)

Ms Aleksandra Jovicevic (SR)

Ms Marion Mangeng (A)

Mr Miguel Torres (P)

Ms Anna Rozenvalde (LV)

ECF Board Representatives in the Grants Advisory Committee

Ms Kathinka Dittrich van Weringh (D)

Mr András Török (H)

External Advisers for the STEP beyond mobility scheme

Ms Sabine Bornemann (D)

Ms Elzbieta Grygiel (PL)

Ms Tsveta Andreeva (BG)

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Staff as at 31 December

Mr Gottfried Wagner (A)

Director

Ms Odile Chenal (F)

Deputy Director

Executive Secretariat

Ms Gisèle Bidenbach (F) until 31/12/2006

Ms Marjan Buijs (NL) until 28/2/2007

Finance, Personnel and Administration

Ms Annemie Degryse (B) Head

Mr Jaap de Bruijn (NL)

Mr Hans Peter Christen (NL)

Reception

Mr Jan Baas (NL)

Ms Ursula Schutter (NL)

Communications

Ms Viola von Harrach (UK), Head as from 01/05/2006

Ms Armelle Desmarchellier (F) until 01/05/2006

Ms Mascha-Christine Ihwe (D) as from 07/08/2006

Ms Lise Mathol (NL)

Support for Cultural Cooperation

Ms Taja Vovk Cepic (SLO) Head as from 16/02/2006

Ms Esther Claassen (NL)

Mr Igor Dobricic (SER)

Ms Andrea Karlsson (S) internship as from 01/02/2006 until

01/09/2006

Mr Tommi Laitio (FIN)

Ms Wietske Maas (NL) internship until 31/01/2006

Mr Lodewijk Reijs (NL) as from 16/02/2006

Ms Raya Ribbius (NL)

Mr Bertan Selim (MK)

Ms Estelle Tham (S) internship from 01/09/2006 until

01/03/2007

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Cultural Policy Development (Advocacy)

Ms Isabelle Schwarz (D/F) Head

Mr Philipp Dietachmair (A)

Ms Susanne Mors (D)

Mr Bertan Selim (MK)

Fund development

Ms Hanneloes Weeda (NL)

LabforCulture

Ms Bettina Knaup (D) Manager until 30/09/2006

Ms Katherine Watson (CA) Director as from 11/10/2006

Ms Nicola Mullenger (UK)

Ms Angela Plohman (UK/CA)

Ms Gunilla Redelius (S)

Ms Ana Sofia Dos Santos Félix (P) as from 20/03/2006 until 31/08/2006

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mobility photos

Direct Encounter: Supporting Mobility

With the aid of a STEP beyond mobility grant, German artist Stefan Demming travelled to Belgrade to meet up with drama director Andjelka Nikolic and others for work on the video parts of the multimedia performance, 'I Am My Own Wife'.

Stefan used the trip to prepare for the performance artistically and technically. The performance itself – realised by Stefan's hosts, the Belgrade-based cultural organisation Hop.la! – draws parallels between eastern Germany in the 1990s and present-day Serbia.

Wanting to get to know Serbian society intimately, Stefan based himself in suburban Novi Beograd and explored further from there. 'I got some very precious insights from the direct encounter,' Stefan says. A few of his revealing photographs – and comments –are featured here and on the following pages.



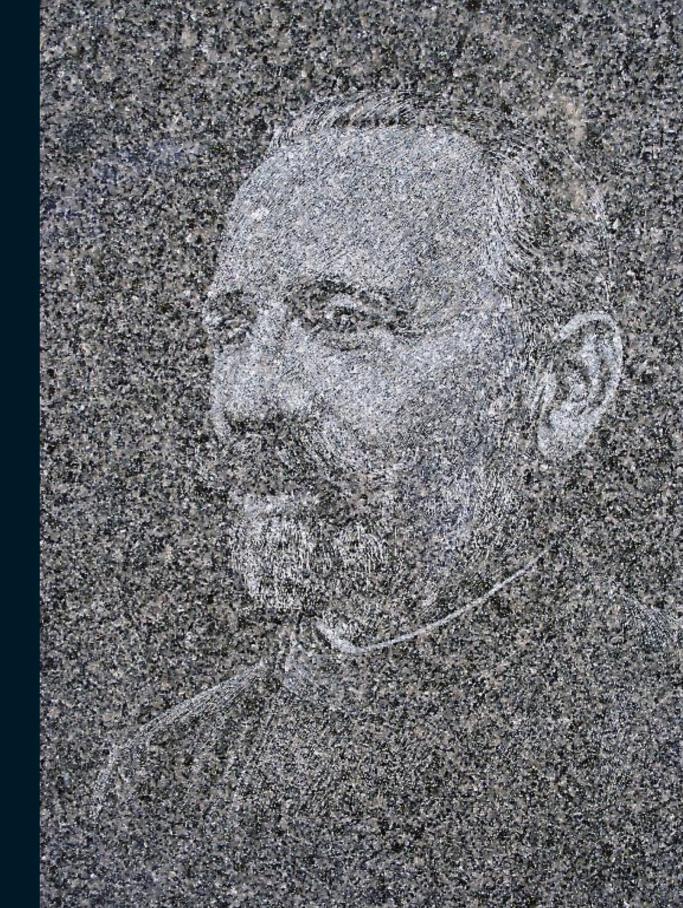
Direct
Encounter:
Supporting
Mobility

Stefan Demming



market

'I took these photos as a practical attempt to cope with all the new and concrete information in this contemporary Serbian society which, on the one hand, longs for development and peace, and in which also many people refuse to take responsibility for what happened in the name of their nation some years ago.'







'This photo displays an ambivalence between real affection or even shock about a poverty encountered and some almost humorous aspects of the scene.'







'I like the way these portraits engraved on tombstones made an act of "memorising" possible by a visual means – even I, who didn't know any of these people, could somehow "invent" a memory of them while looking at their pictures.'

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Financial Statements 2006

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General

These financial statements were prepared in accordance with accounting principles generally accepted in the Netherlands (Guideline 640 of the 'Richtlijnen voor de jaarverslaggeving').

Goal-related costs (of programme and grant activities) are processed immediately in the costs as soon as they can be estimated and are legally enforceable by third parties because of contracts or externally communicated commitments.

The year 2006

The books for the fiscal year 2006 were closed with a deficit amounting to Euro 60,243, which consists of the European Cultural Foundation's deficit, Euro 51,291, plus LabforCulture's deficit, Euro 8,952. Consequently, Euro 51,291 will be withdrawn from the Foundation's General Reserve and Euro 8,952 will be withdrawn from the earmarked Reserve for LabforCulture.

The deficit is much lower than was foreseen in the approved budget for 2006 mainly because of a substantial increase in income received by the European Cultural Foundation from the BankGiro Loterij by the end of 2006 (as well as results from interests). In 2006, the Foundation received Euro 3,295,771 from the BankGiro Loterij, which was Euro 495,771 more than budgeted and Euro 384,102 more than the Foundation actually received in the year 2005.

Income from investments in 2006 was higher due to revaluations of the shares portfolio by Euro 197,915 compared with Euro 126,857 in 2005. Financial fixed assets have increased substantially over the past three years. Due to the increased investment portfolio, further agreements have been made in respect to the proportion of investments in shares and bonds. The portfolio is invested in mainly low-risk financial assets to a minimum of 80% in bonds and maximum of 20% in shares. The total cash income related to interest from bonds and dividends received by the European Cultural Foundation in 2006 comes closer to the total amount which the Foundation spent on 'General administration costs'. Indeed, this income even exceeds the 'General administration costs' if revaluations are included. The aim of the Foundation is to be able to make up for the 'General administration costs' through income generated from investments. In order to achieve this goal, it is self-evident that the 'General reserve' of the Foundation invested in bonds and shares should continue to grow in the coming years.

It is also striking that the amount received by the European Cultural Foundation from 'Programme sponsorship' increased considerably in the past three years: this helps the Foundation to diversify its income and widen its outreach. A major part of the increase consists of sponsorship income received for the LabforCulture project. The targeted 'Sponsorship income' budget for 2006 was reached, which gives cause for satisfaction. Taking into account the further development and growth of the Foundation's activities, the contributions from the lotteries are of the utmost importance to the European Cultural Foundation.

The Board members agreed at their meeting of 25 September 2006 that the Foundation could spend Euro 500,000 more than the budget for 2006 based on the expected additional lottery income. At 31 December 2006, the European Cultural Foundation had spent Euro 375,374 more than budgeted and spent Euro 899,600 more than in the year 2005.

The General administration costs in 2006, Euro 607,990, are in line with the budgeted Treasureamount of Euro 616,550. As a percentage of the total income, the General administration costs remain 9%, as in 2005.

No important events and decisions took place between the reported year and the publication date of this report.

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Budget 2007

In accordance with accounting principles (Guideline 640 of the 'Richtlijnen voor de jaarverslaggeving'), Budget 2007 is part of the Treasurer's report.

Taking into account the fact that the higher lottery income received by the European Cultural Foundation in 2006 will have a continued effect in 2007, the Foundation increased the budgeted lottery income to Euro 4,845,000 for 2007, compared with Euro 4,100,000 in 2006.

The total Programme sponsorship income budget has been decreased for 2007 to Euro 1,059,196, compared with Euro 1,273,657 budgeted for 2006. The Programme sponsorship income budget for LabforCulture has been decreased for 2007 to Euro 589,046, compared with Euro 771,900 budgeted for 2006: this is due to the initial contributions being phased out, with new agreements and bids for EU tenders pending. The European Cultural Foundation will contribute Euro 250,000 to LabforCulture in 2007.

Treasurer's report

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The Programme sponsorship income budget related to the other programme activities of the Foundation has been decreased for 2007 to Euro 470,150, compared with Euro 501,757 budgeted for 2006. This is because the outcomes of bids prepared for national and European funding schemes are still uncertain.

The total expenses budgeted for 2007 increased by Euro 412,736 compared to the total expenses budgeted for 2006. This is because of expected additional cultural events (including online and off-line publications) related to the Foundation's new focus on cultural diversity.

The 2007 figures for LabforCulture are included in the overall Budget 2007 of the European Cultural Foundation. In order to be able to distinguish the LabforCulture budget 2007 from the European Cultural Foundation Budget 2007, a separate overview of the LabforCulture budget has been reported.

Budget 2007, including income and expenses for LabforCulture

(all amounts in Euro)

Treasur

	Budget 2007	Budget 2006
INCOME		
BankGiro Loterij	3,500,000	2,800,000
Lotto	1,200,000	1,100,000
Nationale Instant-Loterij	145,000	200,000
Programme sponsorship	1,059,196	1,273,657
Interest, dividends and other income	500,000	450,000
Reserve LabforCulture from 2006	179,647	120,607
Total income	6,583,843	5,944,264
EXPENSES		
Operational expenses		
Support for Cultural Cooperation		
Grants allocated	1,465,759	1,363,000
Grants coordination, evaluation and development	226,500	186,500
Grants not taken up		
Total Grant activities	1,692,259	1,549,500
Total Programme activities	1,047,500	994,000
Total Support for Cultural Cooperation	2,739,759	2,543,500
Total Cultural Policy Development	1,119,341	1,116,500
LabforCulture	1,018,693	1,142,507
Fund development	52,000	49,000
Cultural events	429,000	194,500
Communication and information for the cultural sector	377,500	314,000
Governance and networking in Europe's regions	272,000	194,550
Total operational expenses	6,008,293	5,554,557
General administration	575,550	616,550
Total expenses	6,583,843	6,171,107
Surplus / (deficit)	0	(226,843)

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Budget 2007, LabforCulture

	2007	2006
INCOME		
Contribution of ECF	250,000	250,000
Programme sponsorship	589,046	771,900
Reserve LabforCulture from 2006	179,647	120,607
Total income	1,018,693	1,142,507
EXPENSES		
Direct programme costs	645,193	824,007
Salary costs	373,500	318,500
Total expenses	1,018,693	1,142,507

Si-ell

Gerard J. Kalff, *Treasurer*Amsterdam, 20 April 2007

Balance Sheet at 31 December 2006

(after appropriation of the result)

ASSETS	Ref.	2006		2005	
(all amounts in Euro)					
Tangible fixed assets	1				
Premises		45,181		48,423	
Refurbishment		61,157		76,544	
Furniture and equipment		98,088		73,780	
			204,426		198,747
Financial fixed assets	2				
Bonds		8,698,626		8,546,158	
Shares		1,855,903		1,105,601	
nancial	5	late	10,554,529	nts	9,651,759
Current assets	3				
Accounts receivable			1,267,738		1,709,078
Deposits, cash	4				
Deposits		0		91,498	
Cash and bank balances		923,102		707,445	
			923,102		798,943
			12,949,795		12,358,527

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LIABILITIES (all amounts in Euro)	Ref.	2006		2005		
General reserve	5					
General Reserve		9,420,090		9,471,381		
Reserve for LabforCulture	e	170,695		179,647		
			9,590,785		9,651,028	
Current liabilities	6					
Received in advance		95,316		93,378		
Grants payable		1,377,308		1,173,525		
Accounts payable		1,886,386		1,440,596		
			3,359,010	Financia	1 2,707,499ments	73

12,949,795

12,358,527

Statement of income and expenditure for the year ended 31 December

Including LabforCulture

	(all amounts in Euro)	Ref.	Actuals 2006		Budget 2006		Actuals 2005			
	INCOME									
	BankGiro Loterij		3,295,771		2,800,000		2,911,669			
	Lotto		1,160,693		1,100,000		1,224,339			
	Nationale Instant-Loterij		108,474		200,000		244,106			
	Programme sponsorship	7	1,303,536		1,273,657		1,207,491			
	Interest and dividends	8	610,672		450,000		592,054			
	Other income		7,092		0		28,874			
	Total income			6,486,238		5,823,657		6,208,533		
	EXPENSES									
	Operational expenses									
	Grants allocated		1,566,239		1,363,000		1,357,168			
n	Grants coordination, evaluation and development		222,671		186,500		188,575		Financial statements	75
	Grants not taken up		(31,556)		0		(8,545)			
	Total Grant activities		1,757,354		1,549,500		1,537,198			
	Programme activities		1,108,657		994,000		997,689			
	Total Support for Cultural Cooperation		2,866,011		2,543,500		2,534,887			
	Total Cultural Policy Development		1,243,149		1,116,500		894,143			
	LabforCulture		995,273		1,142,507		1,107,026			
	Fund development		33,345		49,000		6,021			
	Cultural events		260,271		194,500		89,069			
	Communication and information for the cultural sector		409,307		314,000		319,263			
	Governance and networking in Europe's regions		131,135		194,550		158,099			
	Total operational expenses			5,938,491		5,554,557		5,108,508		
	General administration costs									
	General administration		607,990		616,550		538,373			
	Total general administration costs			607,990		616,550		538,373		
	Total expenses			6,546,481		6,171,107		5,646,881		
	Surplus / (deficit)			(60,243)		(347,450)		561,652		
	Appropriation of the result									
	(Withdrawal from) / Addition to Reserve for LabforCult	ture		(8,952)		(120,607)		75,800		
	(Withdrawal from) / Addition to the General Reserve			(51,291)		(226,843)		485,852		

Activities of the ECF

The ECF is an operating and grant-giving foundation. Its core income is received from the BankGiro Loterij, the Lotto and the Nationale Instant-Loterij. Other income derives from sponsors and subsidies and from its financial assets.

Grants are awarded on the basis of projects submitted by third parties. Programmes are run (whether by the ECF alone or in partnership with others) according to the priorities and the development strategy of the ECF.

Accounting principles

General

These financial statements are prepared in accordance with accounting principles generally accepted in the Netherlands (Guideline 640 of the 'Richtlijnen voor de Financialaarverslaggeving') IS

Assets and liabilities are included at their face values unless stated otherwise. Amounts in foreign currencies are converted into Euro at the year-end rates. Transactions in foreign currencies are recorded using the rates of exchange ruling at the date of the transactions. Gains or losses on transactions are included in the statement of income and expenditure.

Comparison with previous years

The principles of valuation and determination of result remain unchanged from the previous year. For comparison reasons, the expenditures of 2005 in the Statement of income and expenditure are reclassified.

Tangible fixed assets

Premises (75% of the value of the building Jan van Goyenkade 5, Amsterdam: the other 25% of the building is owned by the Praemium Erasmianum Foundation), refurbishment, furniture and equipment are valued at cost less accumulated depreciation. Investments of less than Euro 500 are not capitalised. Depreciation is calculated on a cost basis, against the following rates per annum:

Premises: 2% - 7%
Refurbishment: 10% - 20%
Furniture: 10% - 20%
Equipment: 20% - 33%

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Financial fixed assets

Bonds are stated at par value or lower market value. Shares and investment funds are stated at market value at year-end. Unrealised gains and losses are accounted for in the statement of income and expenditure.

Recognition of income

Income is recognised upon receipt of letters from the Prince Bernhard Cultural Foundation (PBF) stating how much it has received from the BankGiro Loterij, the Lotto and the Nationale Instant-Loterij. According to an agreement between the ECF and PBF, 25% of all lottery income of the PBF is passed on to the ECF.

Recognition of expenses

In general, expenses are charged to cost centre, based on actual expenses per project.

Operational expenses are recognised as soon as they can be estimated and are legally enforceable by third parties because of contracts or externally communicated commitments. The amount of 'Grants allocated' is the amount awarded to third parties in writing during 2006. Support expenses are recognised in the period in which the related tements activities took place, if they can be estimated at the date of closing the books. Salary costs are allocated to cost centres on the basis of time-writing by the employees.

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90% Spending rule

The ECF is committed to spending at least 90% of its total Lottery income on its activities, based on the average Lottery income of the previous 3 years. The ECF has complied with this rule in the year 2006.

Notes to the balance sheet

(all amounts in Euro)

1 TANGIBLE FIXED ASSETS

The book values of the tangible fixed assets can be detailed as follows:

	Premises	Refurbishment	Furniture & equipment	Total
Historical cost				
Balance at 31 December 2005	137,069	281,647	279,702	698,418
Items not in use any more	-	-	(970)	(970)
Additions 2006	-	-	63,543	63,543
Balance at 31 December 2006	137,069	281,647	342,275	760,991
Pepreciational statements				
Balance at 31 December 2005	88,646	205,103	205,922	499,671
Items not in use any more	-	-	(970)	(970)
Depreciation 2006	3,242	15,387	39,235	57,864
Balance at 31 December 2006	91,888	220,490	244,187	556,565
Book value at 31 December 2006	45,181	61,157	98,088	204,426
Book value at 31 December 2005	48,423	76,544	73,780	198,747

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2 FINANCIAL FIXED ASSETS	Bonds 2006	Shares 2006
Balance at 1 January 2006	8,546,158	1,105,601
Acquisitions	1,732,510	627,642
	10,278,668	1,733,243
Sales	(1,515,964)	(75,255)
	8,762,704	1,657,988
Revaluations	(64,078)	197,915
Balance at 31 December 2006	8,698,626	1,855,903
Market value at 31 December 2006	8,787,703	1,855,903

The portfolio is low-risk. The income generated is earmarked for covering support expenses.

In January 2007, EUR 389,929 (part of the balance of the bank accounts, transferred from Ents the ING in Brussels to the ING in Amsterdam) was invested in bonds.

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3 CURRENT ASSETS

Accounts receivable

The details of the accounts receivable are as follows:

	2006	2005
BankGiro Loterij/Lotto	692,887	1,089,336
Interest to receive	229,769	234,765
Programme sponsorship income	246,784	114,340
Others	98,298	270,637
	1.267.738	1.709.078

4 DEPOSITS, CASH

Deposits

The deposits were terminated and the balance was transferred to the ING bank, Amsterdam.

Cash and bank balances

Cash and bank balances are at the free disposal of the Foundation. At the end of December 2006, the balances of the bank accounts held at the ING in Brussels were transferred to the ING in Amsterdam. An amount of EUR 389,929 was invested in bonds in the beginning of January 2007.

2006

(8,952)

75,800

2005

5 RESERVES

General Reserve

(Deficit) / Surplus

The movement in the reserves can be explained as follows:

	deficial reserve	2000	2003
BO	Financ Balance at 1-January ts	9,471,381	8,985,529
	Result for the year	(51,291)	485,852
	Balance at 31 December	9,420,090	9,471,381
	Reserve for LabforCulture	2006	2005
	Balance at 1 January	179,647	103,847
	Withdrawal from Reserve	(8,952)	-
	Added to the Reserve	-	75,800
	Balance at 31 December	170,695	179,647
	Income and expenditures for LabforCulture	2006	2005
	Contribution ECF	250,000	250,000
	Programme sponsorship	736,321	932,826
	Total income	986,321	1,182,826
	<u>EXPENSES</u>		
	Direct programme costs	678,226	846,024
	Salary costs	317,047	261,002
	Total expenses	995,273	1,107,026

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The deficit of Euro 8,952 will be deducted from the earmarked reserve for LabforCulture.

There are no limitations on the disposability of the General Reserve. The General Reserve is readily available for use by the European Cultural Foundation as required. The General Reserve ensures the continuity of the Foundation, both as a buffer against income fluctuations and – through investment in low-risk financial assets – as a source of investment income.

6 CURRENT LIABILITIES

Grants payable

Others

The Grants payable are partly long-term and partly short-term. They have been awarded for the period 2002-2006.

Accounts payable	Financial statements		8
The details of the accounts payable are as follows:			
	2006	2005	
Taxes and social premiums	76,223	56,616	
Other personnel costs	193,485	143,719	
Contractual obligations recognised as expenditure	1,301,864	1,152,719	

314,814

1,886,386

87,542

1,440,596

CONTINGENT LIABILITIES

As at 31 December 2006, the European Cultural Foundation has a rental obligation for the period up to 1 July 2007 (Euro 9,520 for that period) for the office space situated in Amsterdam at the Roemer Visscherstraat 18.

The European Cultural Foundation is a small legal entity, which has adopted a defined benefit pension scheme, dealt with as a defined contribution. Small entities do not have to specify debts and provisions related to the pension costs according to Article 396 of Book 2 parts 3 and 5 of the Netherlands Civil Code. Accordingly, the liabilities of the Foundation do not give a complete overview of all liabilities in relation to the applicable reporting guideline 271.

Notes to the statement of income and expenditure

(all amounts in Euro)

INCOME

7 Programme and grants sponsorship

The details of the programme and grants sponsorship are as follows:

European Commission, active citizenship	56,680	0
HIVOS subsidy for grants Balkan Incentive Fund	140,000	120,000
Open Society Institute Switzerland, Balkan Incentive Fund	50,000	0
King Baudouin Foundation	40,000	0
Swiss Agency for Development and Cooperation	31,610	0
Dutch Ministry of Foreign Affairs, DCO for Balkan incentive Fund	10,000	0
HIVOS, contribution Balkan event	0	20,000
UNICEF subsidy for One Minutes Junior programme	0	9,632
European Community, Kaliningrad	107,329	0
Nordic Council of Ministers, Kaliningrad project	26,388	20,116
Riksbankens Jubileumfond, CPRA 2006	9,757	9,757
Dutch Ministry of Foreign Affairs, DCO for Anna Lindh Foundation	17,050	0
Stichting NCDO, Mediterranean Reflection Group	12,500	0
Dutch Ministry of Foreign Affairs, DZO/UM Matra	47,335	92,503
EU contribution, publication Sharing Cultures	0	(343)
Open Society Institute Liechtenstein, funding mobility programme	10,000	3,000
SIDA Stockholm	8,566	0
	567,215	274,665

2006

2005

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	2006	2005	
Sponsorship income for the LabforCulture project			
Riksbankens Jubileumfond	0	47,594	
Ministry of Education and Culture, The Netherlands	80,000	80,000	
Ministry of Culture, Poland	50,000	50,000	
Ministry of Education and Culture, Cyprus	0	20,000	
Bundeskulturstiftung	150,000	300,000	
Foundation Calouste Gulbenkian	20,000	20,000	
Robert Bosch Stiftung	60,000	120,000	
Compagnia di San Paulo	100,000	100,000	
Ministry of Culture, of Higher Education and Research, Luxembourg	30,000	0	
Ministry of Culture, Spain	24,000	0	
Royal Ministry of Culture and Church Affairs, Norway	Fin 30,000al	stælo;000 ents	8
European Commission, DG for Education and Culture	123,318	175,232	
Ericarts, contribution G2CC project	22,606	0	
Fitzcarraldo, contribution G2CC project	23,748	0	
OTM, contribution G2CC project	22,649	0	
	736,321	932,826	
Total Programme sponsorship	1,303,536	1,207,491	

8 Interest and dividends

The details of the interest and dividends are as follows:

2006		2005	
29,603		14,947	
(18,200)		(9,991)	
	11,403		4,956
419,063		399,846	
(64,078)		12,501	
(3,603)		9,339	
	351,382		421,686
49,972		38,555	
197,915		126,857	
	247,887		165,412
	610,672		592,054
	29,603 (18,200) 419,063 (64,078) (3,603)	29,603 (18,200) 11,403 419,063 (64,078) (3,603) 351,382 49,972 197,915 	29,603

EXPENSES

Salaries, social charges and pension costs

	2006	2005
Salaries	1,308,159	1,139,109
Social charges	116,142	84,112
Pension costs	286,485	342,613
	1,710,786	1,565,834

The number of employees at the year ended 31 December 2006 was 27; 22 FTE including 4 FTE working for LabforCulture (2005: 25 employees; 20 FTE, including 3 FTE working for LabforCulture).

For privacy reasons, the remuneration of the 'Executive Committee' or 'Board', consisting solely of the salary of the Director, does not need to be specified in the financial statements according to Article 383 of Book 2 Part 9 of the Netherlands Civil Code.

Appropriation of result according to articles of Association

According to article 5 of the articles of Association, the result for the year is at the disposal of the Board. The deficit for the year 2006 has been withdrawn from the General Reserve. This has already been reflected in these financial statements.

Auditors' Report

Report on the financial statements

We have audited the accompanying financial statements 2006 of the European Cultural Foundation, Amsterdam, as set out on pages 72 to 84 which comprise the balance sheet as at 31 December 2006, the profit and loss account for the year then ended and the notes.

Board's responsibility

Supplementary 85 The Board of the Foundation is responsible for the preparation and fair presentation of the financial statements and for the preparation of the treasurer's report, both in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of

the Foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the European Cultural Foundation as at 31 December 2006, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part e of the Netherlands Civil

Supplem Code, we report, to the extent of our competence, that the Treasurer's report is

consistent with the financial statements as required by 2:391 sub 4 of the Netherlands

Civil Code.

Amsterdam, 20 April 2007

PricewaterhouseCoopers Accountants N.V.

J.L. Sebel RA

european cultural foundation | report 2006 | list of supporting organisations

The European Cultural Foundation thanks the following institutions for their longstanding support:







The Foundation would like to thank the following partners in ECF initiatives:

- HIVOS, the Dutch Humanist Institute for Cooperation with Developing Countries
- UNICEF, the United Nations Children's Fund
- The Nordic Council of Ministers
- The Bank of Sweden Tercentenary Foundation
 (Riksbanken Jubileumfond)
- Dutch Ministry of Foreign Affairs, MATRA programme
- Dutch Ministry of Foreign Affairs (DCO)
- Open Society Institute Switzerland
- Swiss Agency for Development and Cooperation
- King Baudouin Foundation
- JVC
- National Committee for International Cooperation and Sustainable Development (NCDO)
- European Community
- Open Society Institute Liechtenstein
- SIDA Stockholm

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- European Union Directorate General Education and Culture
- Kulturstiftung Des Bundes (with partner: Deutsches Informations Zentrum Kulturförderung)
- Robert Bosch Foundation
- Compagnia di San Paolo
- Dutch Ministry of Education, Culture and Sciences
- The Bank of Sweden Tercentenary Foundation (Riksbanken Jubileumfond)
- Polish Ministry of Culture and National Heritage
- Norwegian Ministry of Culture and Church Affairs
- Fritt Ord Foundation
- Calouste Gulbenkian Foundation
- Luxembourg Ministry of Culture
- Spanish Ministry of Culture
- Cypriot Ministry of Education and Culture

And its partners:

- ERICarts Institute
- Fitzcarraldo Foundation
- German Federal Agency for Civic Education
- On-the-Move.org aisbl

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Cover image

'ECF's Imprint, 2006'. The map shows

where the ECF was active in 2006,

pinpointing the location of grants projects,

workshops, conferences, training events, etc.

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Photos

p 5 Evgeny Umansky, Karpenko-Karpenko

(Kaliningrad). KatyaNastya, 2002-2005.

p 12/13 Akram Zaatari, *This Day*, 2003,

video still, courtesy of the artist.

p 14/15 Radmila Zivanovic. Festival of

Urban Arts ART GENERATOR, 24-27

August, 2005, Stip, Macedonia.

p 16/17 Volga Yildiz, 2006.

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living in Kreuzberg (Berlin, Germany),

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Acephalus: Optical Models, 2005.

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p 36/37 Janine Prins, Building Blocks,

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p 52-65 Stefan Demming, Beograd 2006

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ECF 2007

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