

WHITE PAPER

Analyses and Proposals
for Reforms in the Sphere
of Festivals in Bulgaria

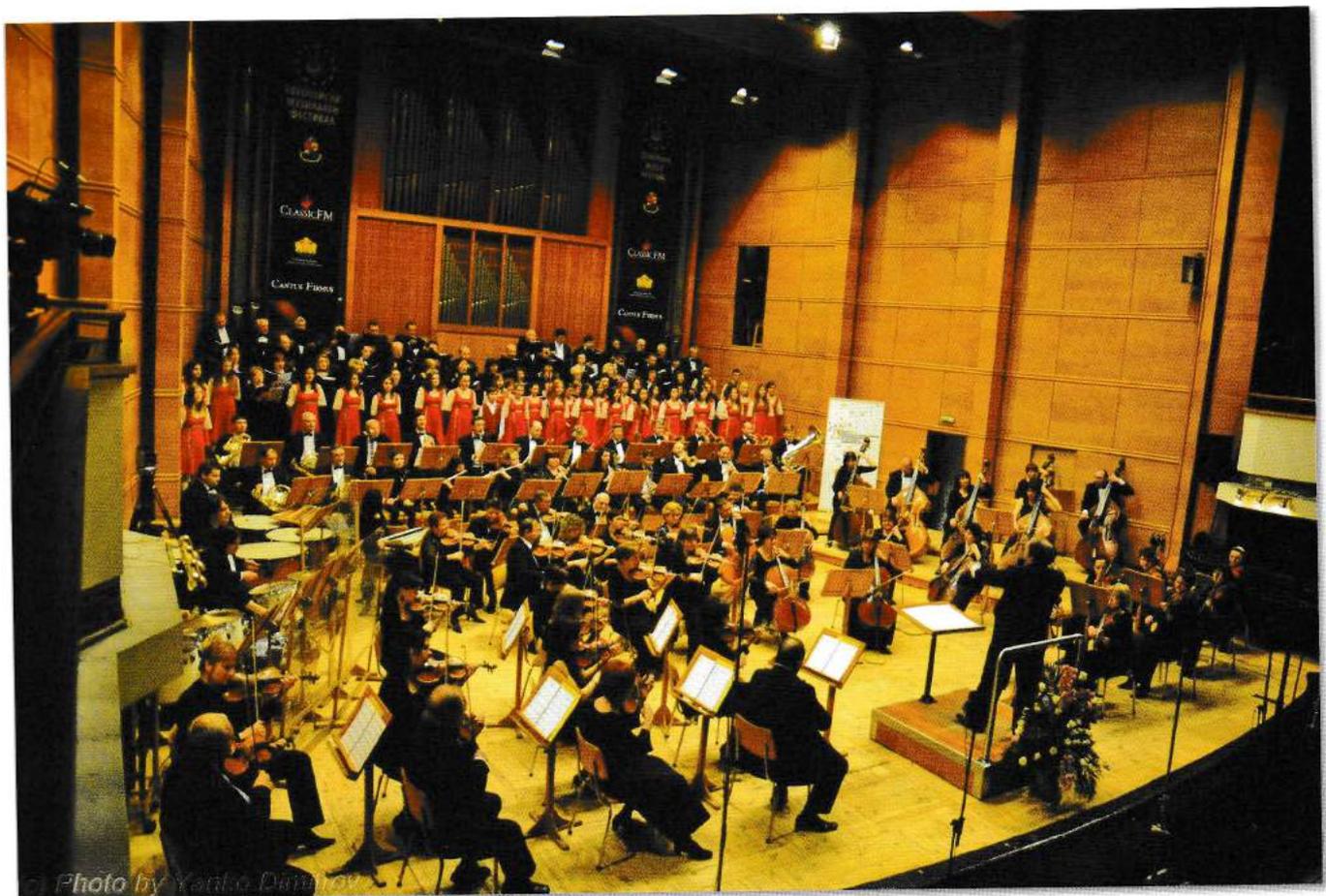
White Paper

Analyses and Proposals for Reforms in the Sphere of Festivals in Bulgaria

under project

“Norway-Bulgarian Partnership for Transparent and Effective Public Support
for the Cultural Sector in Bulgaria”

A project of the Bulgarian Festivals Association, in partnership with Norway Festivals,
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www.ngogrants.bg

Dear friends and colleagues in Bulgaria,

It is never easy to impose models or distinct ways of doing things across countries. You cannot implement directly what is done in one country to another, due to different cultural, political, economic and social factors that may distort and disrupt mechanisms and processes. This is when "Best Practice" is not always great. In addition, after all, who are we to come and tell our Bulgarian colleagues how to do things?

We hope that our input and suggestions show an equal exchange of knowledge and perspectives, so that the proposals and suggestions for a public funding scheme for festivals in Bulgaria are relevant for those who will benefit from it - the festivals themselves.

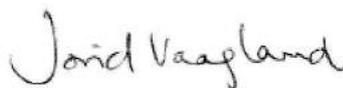
In Norway, the Arts Council of Norway has over fifty years of experience in slowly developing various grant and support schemes for financing festival events and artistic activities. The process is still very much an ongoing work-in-progress. Schemes are adapted to changing social, cultural and political conditions. We have just learned that in the proposal for the 2016 national budget our grant scheme for festivals will be updated in order to ensure better governance. The Ministry of Culture is transferring funding and administration of these festivals' state funding to the Arts Council of Norway. This means that we will have a new grant scheme for festivals next year; how this will affect some of our major artistic and cultural events we do not yet know.

We hope that the Bulgarian authorities and the Bulgarian Festivals Association will let themselves be guided by these principles when operationalizing our suggestions. This White Paper could be the starting point for a grant scheme for festival organizers based on principles of transparency, predictability and reliability. This will allow festivals in Bulgaria to work more actively in promoting artistic excellence - or let themselves be guided by the motto "The true role of a festival is to help artists to dare, to engage in new projects," borrowed from Bernard Faivre d'Arcier, longstanding Director of the Avignon Festival and President of the Lyon Biennial, France.

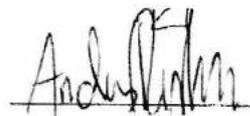
Here, at last, with this report our mutual efforts conclude. We have exchanged thoughts, ideas and concepts interspersed with meetings of minds, and last but not least, of great people and festival organizers in various cities around Bulgaria. We, Arnfinn, Jorid and Anders, sincerely hope that the document you are about to read will be a starting point for many artistic projects and endeavours in Bulgaria in the years to come. Thank you for letting us play a part in this project.



Arnfinn Bjerkestrand



Jorid Vaagland



Anders Rykkja

Letter from the Bulgarian Festivals Association

Festivals are an important and inseparable part of cultural life in Bulgaria. This is an axiom which all of us - festival organizers, institutions and audiences - should accept before speaking of the development of festivals in Bulgaria

In two years, the team implementing the project "Norway-Bulgarian Partnership for Transparent and Effective Public Support for the Cultural Sector in Bulgaria" whose final product is this White Paper: Analyses and Proposals for Reforms in the Sphere of Festivals in Bulgaria, managed to collect a lot of information about the current state of festivals in Bulgaria and Norway.

The festival landscape in Bulgaria is very dynamic, and the last few years have seen the birth of numerous festivals in various spheres of the arts, as well as of festivals that seek to attract tourists by offering fun events related to food, farming, etc. In this rapidly developing environment we see a need for a new approach to the ways in which festivals can actively participate not just in the cultural sphere but also in the economy of towns and villages across the country, turning them into more attractive places for living and tourism.

With this project, the Bulgarian [Българска] Festivals Association aims to make a proposal - based on the collected analytical information - for implementing best practices in the evaluation and funding of festivals in Bulgaria, thereby creating good enough conditions for their development.

On behalf of the Bulgarian Festivals Association, I thank our partners from Norway, as well as the Bulgarian experts who took an active part in the production of this White Paper on festivals in Bulgaria.

We are grateful to the NGO Programme in Bulgaria under the European Economic Area Financial Mechanism 2009-2014, thanks to which the project "Norway-Bulgarian Partnership for Transparent and Effective Public Support for the Cultural Sector in Bulgaria" and this White Paper became possible.

We all believe that this document will become a starting point for changes in the sphere of festivals in Bulgaria, aimed at creating an appropriate environment and prospects for their development.

Vassil Dimitrov

Chairman of the Board of the Bulgarian Festivals Association



CONTENTS

| | | | |
|--|----|---|----|
| Introduction | 8 | Conclusion | 28 |
| Festivals in contemporary society | 9 | Appendix: Recommendations for transparent and effective public support for the cultural sector in Bulgaria | 29 |
| Definition and typology of festivals..... | 9 | Funding application procedures..... | 29 |
| Significance and effects of festivals..... | 9 | Criteria and evaluation. Guarantees of neutrality. Monitoring and control..... | 29 |
| Festivals in Bulgaria | 12 | Evaluation of project proposals and evaluation committees..... | 30 |
| Funding of festivals in Bulgaria - at the national level .. | 13 | Recommendations regarding the legal framework of public support for festivals..... | 30 |
| 1. Ministry of Culture | 13 | References | 32 |
| Support for festivals from Ministry of culture budget - summary..... | 13 | | |
| 2. Funding of festivals in Bulgaria at the municipal level - summary | 17 | | |
| Specific characteristics of festivals in Bulgaria | 17 | | |
| Problems of festivals in Bulgaria | 18 | | |
| Festivals in Norway | 19 | | |
| Significance | 19 | | |
| Arts Council Norway..... | 19 | | |
| System for funding of festivals by the Norwegian Cultural Fund | 20 | | |
| Proposals for building long-term public support for festivals in Bulgaria | 22 | | |
| Establishing a Festivals Fund | 22 | | |
| Purposes and structure..... | 24 | | |
| Expert Committee | 24 | | |
| Sample criteria | 24 | | |
| Eligibility and grant-funding rules | 26 | | |
| Establishing a Festivals Programme within the National Culture Fund..... | 27 | | |
| Purposes and structure..... | 27 | | |
| Eligibility and grant-funding rules | 27 | | |

INTRODUCTION

Festivals create and promote *art works in the conditions of globalization, mobility of artists and exchange of cultural values*. Festivals are also *forums for debate on life in contemporary society*. Festivals are a means of mobilizing and *managing human, financial and material resources*. They are an *object of transnational, national, regional and local policies*. Festival events actively contribute to the development of the cultural and creative industries and, hence, they are part of the *local economy*.

The main purpose of this White Paper is to propose ways to encourage, protect and support festivals of proven and unquestionable cultural, social and artistic merit. This can be done by improving festival planning and financial stability, by establishing efficient intra-sectoral and inter-sectoral partnerships, and by promoting the role of festivals as an important part of national identity. For festivals help to rally local communities around meaningful causes, to conduct active international dialogue, and to promote national achievements at home and abroad. Because of the specificity of the cultural situation in Bulgaria (especially when it comes to financing) and the problems in supporting festivals, the questions raised in this White Paper are more than the answers and suggestions provided.

As festivals are an object of cultural policy, it is necessary to elaborate criteria for adequate monitoring and evalu-

ation of their quality and multifaceted long-term effects in various sectors of public life. In the course of the implementation of various initiatives to improve the state of cultural and artistic activities, festivals can best facilitate the development of an adequate professional capacity among the participants in them: artists, experts and managers. Being a vital system open to the achievements of other countries, festivals can become effective platforms for introducing good practices into the models of cultural management, including by way of the Norwegian experience. In the conditions of contemporary realities, festivals facilitate intercultural dialogue in the country and at the international level. Their universal messages allow them to easily reach out to different social groups, and to help cultivate personal and public virtues related to creative decisions, respect for tradition and openness to new trends in culture and the arts, intellectual efforts, social cohesion and better teamwork skills, and achievement of tolerance among nations, ethnic communities, and religions.

We want to stress that this White Paper is not exhaustive with respect to the issues addressed in it. It aims to elucidate the festival situation in Bulgaria, and to propose more transparent and efficient procedures and systems for providing long-term financial and public support, evaluation and monitoring of festivals.



DEFINITION AND TYPOLOGY OF FESTIVALS

The term “festival” entered common usage comparatively recently. In the German encyclopaedia *Der große Brockhaus* of 1930, we read the following: “A festival is something that is distinguished either by a special selection of the performers or by extra-ordinary presentation of dramatic works, through special artistic means of production; created for special festive occasions – anniversaries, days of commemoration or of veneration” (*Der große Brockhaus* 1930: 172). In a later edition of this encyclopaedia, of 1984, festivals are defined as “festivities, performances of special quality which cannot be achieved in the regular repertoire. The location (tradition, buildings, holiday atmosphere) and the commissioning of special compositions also distinguish festivals from everyday events. The first modern artistic festivals were in Britain: the Three Choirs Festival at Gloucester, Worcester and Hereford (1724), and the Music Festival at York (1791)” (*Der große Brockhaus* 1984: 401–402).

In the book *European Festivals*, published by the European Festivals Association (EFA),¹ the existing festival practice is generalized in a more systematic and detailed way. According to a special survey conducted by the EFA, which includes a wide range of questions and opinions about festivals, the term “festival” should be defined as follows:

A festival is primarily a festive event, a total program of artistic performances which transcends the quality of everyday programming to achieve a level of exceptional festivity at a specific location. It therefore has a unique splendour which can only be maintained for a limited period of time. This character must be marked by the high quality of the performed work (both classical and experimental) and the pursuit of perfection, as well as by the exploitation of the environment, creating a particular atmosphere in which the landscape, character of the city, the commitment of its inhabitants and the cultural tradition of the entire region form contributing factors. (Verboef 1995: 16)

In practice, festivals are classified by various criteria and characteristics. The examples show that the most common criterion for classifying festivals is by the type of

art on offer. The majority of festivals offer musical arts. There are also activities whose main purpose is not to present art in itself (rural events, daytime events, nighttime events, fireworks). The way festivals are defined probably depends also on the specific national cultural traditions and the natural and geographic characteristics of the concrete countries and regions.

For the purposes of this analysis, festivals are defined as follows: With their emergence and development, festivals crown the typological and genre diversity of the arts, with artistic programmes and with the participation of artists and audiences. They participate actively in the entire complex of social and economic processes. Festivals are an institution for public appreciation and celebration of achievements. In themselves, they cultivate a variety of interactions with traditions. Festivals reflect historically variable norms of dialogue between public and private existence. They are situated at particular locations which are the site of intercultural and creative exchange. They also create their own sustainable forms of existence in order to guarantee continuity.

SIGNIFICANCE AND EFFECTS OF FESTIVALS

Through festivals, the different European countries invest in their cultural policies different messages which are probably informed by specific social-psychological and public attitudes. For example, in Italy a key issue remains the dichotomy between national and international representation (the Venice Biennale). In Cannes, unlike Venice, the festival is successfully used to promote France as the “Grande Nation”, etc. (Giorgi 2010: 18). In recent years, local administrations and other cultural institutions have been increasingly cooperating with festivals in order to promote their cities and regions, treating festivals as a promotional window to the world and as an advertising tool.

The dilemma between active state intervention and self-regulation has accompanied festivals since their very beginning, at the dawn of nation-states in the eighteenth and nineteenth centuries. Bruno S. Frey has made a serious attempt to systematize and justify the reasons for their public support. According to him, along with the high artistic level, it is also necessary to consider to what extent festivals contribute to a city’s development by enlivening public spaces. Festivals “must be motivated to produce as large total social benefits as possible while keeping total social costs as low as possible.” Willingness

¹ The European Festivals Association (EFA) is the oldest European cultural network, with 106 members from 43 countries, including 14 national festivals associations representing more than 2000 festivals. To learn more about the EFA, visit www.efa-af.eu

to pay for the festival should also be encouraged, Frey adds. Public subsidies should seek the difficult-to-achieve balance between increase of commercial revenue and preservation or even improvement of artistic quality. How artistic quality can be ascertained is a problem which lacks a satisfactory solution. Much more clear and measurable is the requirement for removing restrictions hampering the good organization of festivals, such as the rules governing working hours which are not always adjusted to the respective specific occasion (Frey 2000: 13).²

How can festivals get a sufficient credit of trust from the authorities and self-manage? In a constantly changing art world, festivals function more as a lighthouse, as opposed to local stereotypes, routine and rigidity (Brozsat 2007: 3).³

True to their vital nature, festivals interact with different social systems in a much more unbiased way. This intriguing dialogue is a fascinating nexus of fundamental realities in the realm of philosophy, anthropology, sociology, political science. Unexpectedly to all, festivals provide insightful answers to some fundamental questions in people's lives: personal prospects, happiness and success; understanding tradition; making sense of changes; declaring and maintaining identity; overcoming differences and prejudices; uncompromising and selfless participation in common causes; masterful use of the language of art. At the same time, the dividing line between underfunding, disrespect or authoritative intervention and the challenges facing the arts is extremely delicate and sometimes very elusive. As artistic celebrations, festivals set different standards as compared to the regular artistic season. Every celebration presupposes a certain extravagance, but in the conditions of contemporary pragmatic existence there are no hard-and-fast criteria for judging whether the effects of this extravagance are justified.

What is more, festivals are also a sort of field for experimentation. They can and must take risks, risks that large, unwieldy public-financed institutes cannot afford to take. That is why Tilmann Brozsat (*ibid.*) is right in

claiming that certain risks should be factored into their budgets, similarly to those of insurance companies. It is advisable to monitor and see which risky approaches are worthwhile and how they, having been successfully tested out by the festivals, are then adopted by the institutions and local community of the city.

Economists view festivals as experience production systems, where consumption is driven by pleasure, not by necessity. They are a specific type of service whose source is a rich range of multisensory images, fantasies and emotional excitement (Ferdinand and Williams 2013).

Economic theory identifies three groups of effects which are directly relevant to festival events:

1. *Direct effects* include a cultural institution's expenses on wages, organization and promotion of artistic production in a certain period of time. Information about them is to be found in the budgets of the respective institutions.
2. *Indirect effects* are reflected in visitors' spending on services related to festivals: admission fees and tickets, accommodation, transportation, meals, merchandising, etc. Adequate calculation of this spending can be of great help to the organizers of various advocacy and lobbying campaigns targeted at public authorities, corporations and citizens. In addition, it is advisable to keep track of the festival-specific spending, since festivals are not always the only or main reason for travelling.
3. Finally, *induced effects* are the financial effects of the above-listed expenses on the rest of the economy. They are measured by three main indices: of intermediate consumption, of final consumption, and of primary inputs. The most important index is that of intermediate consumption, for it reflects the exchanges produced between the different branches or sectors in public life. The sectoral indicators obtained from this index provide information about the dynamic in the growth of the final consumption of products in a particular sphere (del Barrio, Devesa and Herrero 2012: 244).

² Bruno S. Frey is a Swiss economist. He is Professor of Economics at the Institute for Empirical Research in Economics (VIEW), University of Zurich (UZH). Since 2004, he is one of the four directors at the Center for Research in Economics, Management and the Arts (CREMA). His work, which is relevant to this study, is related to public policies, behavioural economics, and the benefits of the economics of culture and the arts

³ Tilmann Brozsat graduated in Sociology. He is Artistic and Managing Director of the Theatre Festival SPIELART Munich (since 1995), an executive producer of the Munich Biennale - International Festival for Contemporary Music Theatre (since 1988) and coordinator of the festival DANCE (since 1998).



The lack of sufficient practice in research focused on the effects of festival events continues to generate negative prejudices. According to them, cultural and artistic activities are a burden society is forced to bear by virtue, as it were, of a dubious inertia. Yet in reality, well-planned and organized festivals can bring many benefits. Examples such as the Edinburgh, Salzburg or Cannes festivals obviously need greater publicity. These festivals themselves boost entire sectors of the economy, while actively helping other sectors. As a result, they contribute to local and central government budgets by generating tax revenue, social insurance contributions, wages, development of services, of tourism, etc. However, in the absence of state intervention to statistically validate the benefits from festivals, all care and responsibilities are left to the festival organizers themselves. Systematic data collection is a difficult, but not impossible, mission for them. There is a need for more in-depth consultations with the competent specialists and for efforts which contemporary information technology can assist comparatively easily.

The economic aspects of festivals are inseparable also from the quality of service: accessibility and conditions at the festival venue, connection with tourist and transportation services, information sources about events in the main languages, possibility for expressing opinions and evaluations. Once they are inspired by their visit, viewers become loyal clients and a sort of PR agents of the festival. They are ready not only for multiple visits, but also to share them onsite with old and new friends (Yoon, Lee and Lee 2010).

The theoretical and conceptual resource of the economic approach to festivals is unquestionably a useful and necessary tool in their organization. It is high time that it were used properly in Bulgaria, too, where despite the declared intentions, the desired interaction of culture and tourism is yet to take place.

FESTIVALS IN BULGARIA

The Bulgarian experience in organizing artistic festivals has an almost century-long tradition. It has been widespread since the early 1960s, when several major music, film, and dance festivals were established. The system of human and financial resources management until 1989 was characterized by strong centralization and ideological control. Yet at the same time, festivals became an opportunity for artists from the two sides of the Iron Curtain to exchange artistic ideas. Their contribution to the creation of a common European cultural and civilizational space is yet to be acknowledged.

arts, different styles, different generations, artists from different countries. Festivals invest in new cultural products, international co-productions, higher quality, better marketing, etc. That is to say, festivals are an important element of the full-fledged functioning of culture as a system and a key mediator in cultural processes, including through their role as a facilitator of contacts between artists and their audiences, stimulating cultural consumption and cultural participation.

Still, festivals in Bulgaria are yet to be recognized as an important element in the cultural policy and strategy of the state. There is no strategy and no established mech-



(c) Photo by Yanko Dimitrov

In many cases, funds for culture in Bulgaria are spent in a non-transparent and ineffective manner both at the national and municipal levels. This holds true particularly for the independent cultural sector. In this context, festivals play a specific and especially important cultural and social role. They are a meeting place for different

anism for sustainable funding that would enable important, established festivals to plan and programme events in the long term. Before the beginning of democratic reforms in 1989, the Bulgarian state had a clear cultural policy aimed at creating and developing Bulgarian festivals of national and international significance. At that

time, the state financed 100% of the costs of conducting festivals, and some of them were at a high European and world level. After 1989, the existence of festivals became much more dependent on and managed by local authorities, but without being bound to long-term strategic plans and goals. This has logically resulted in a lack of sustainability, capacity, and effective partnership with the other cultural subsectors, such as education and tourism.

Reduced funding and the absence of rules restrict the possibilities for establishment and development of festivals, limit their capacities for international contacts, suppress their organizational and cultural development, and minimize investment in marketing and promotion, and hence in attraction of new audiences. It must be noted that we should not assume a priori that every festival is a high-quality artefact. It is well-known that there is no intra-sectoral self-regulation imposing adequate standards of quality (similarly to the civic sector, which has traditionally relied on state intervention since before 1989). Today the state has been replaced by an ill-structured and incompetent government ministry, and the official creative unions by a plethora of ineffective, professionally divided, and not fully representative associations. These problems, however, have affected not only festivals. The absence of clear policies and funding mechanisms has affected all independent cultural organizations in Bulgaria. This situation is often used for siphoning off the little money allocated in the state and municipal budgets for festival projects, as funding is granted – without clear evaluation criteria – to newborn festivals that have not proven their worth but which have good contacts with the relevant authorities. These are only part of the problems hampering the development of the festival landscape, which will be discussed in more detail in the chapter on “Problems of festivals in Bulgaria”.

At present (2015), there are no exact statistics on the number of festivals held in Bulgaria. The Ministry of Culture has inexact data and covers not more than 50% of the festivals (at that, of the more significant ones) in the national Cultural Calendar. On the whole, this calendar includes the festivals which in the last few years have been traditionally receiving funding from the state budget through the Ministry of Culture. The large municipalities – such as Sofia, Plovdiv, Varna, Ruse and Burgas – have their own cultural calendars, which include the festivals funded by the municipalities them-

selves.⁴ Hence, there is no real information about the number and type of Bulgarian festivals at the national and regional levels.

Festivals in Bulgaria are registered as not-for-profit legal entities for pursuit of private or public benefit, as foundations, or as business entities (companies). It is interesting that some Bulgarian municipalities have their own festivals, some of which are funded by the municipality itself without competing for funding, solely by a resolution of the municipal council.⁵

FUNDING OF FESTIVALS IN BULGARIA – AT THE NATIONAL LEVEL

As everywhere in the world, there are several sources of funding for festivals in Bulgaria, but what is specific to this country is that the primary source are public target funds from the state and local authorities, which are discussed below. There are no serious studies and analyses on project funding through state structures and municipal funds, or on other sources – such as ticket sales, recording rights, sponsorship, advertising and donations – therefore they are not discussed in this White Paper.

I. MINISTRY OF CULTURE⁶

The Ministry of Culture (MC) is the budget authorizer by delegation responsible for the implementation of the national cultural policy, including with respect to festivals. The MC conducts a policy aimed at the protection and development of culture through financial support for cultural initiatives, target programmes, creative projects, etc. (*table 1*)

SUPPORT FOR FESTIVALS FROM MINISTRY OF CULTURE BUDGET – SUMMARY

From 2014, MC activities are aimed at the implementation of two policy areas, each one of which is planned, implemented and reported under budget programmes:

- Policy in the area of protection of tangible and intangible cultural heritage;

⁴ For detailed information about the way and number of festivals receiving funding through these cultural calendars, see Laskova 2015a: 34.

⁵ It must be noted at this point that in 2013 the Bulgarian Festivals Association elaborated a system for evaluation and funding of festivals in Sofia in cooperation with Sofia Municipality, available (in Bulgarian) at http://bfa.bg/common/images/src/file/Komentari_Preporki_BFA.pdf

⁶ See Laskova 2015a: 10.

| | Annual expenditure budgeted for MC ⁷ | State budget (expenditure, budget relationships and contribution to EU general budget) | MC budget (as % of state budget) | Expenditure reported under MC budget by 31 December | Funding for festivals – total | Funding for festivals (as % of MC budget) |
|------|---|--|----------------------------------|---|-------------------------------|---|
| 2015 | 126 693 600 | 20 473 276 700 | 0.62% | --- | --- | --- |
| 2014 | 120 739 600 | 20 598 929 900 | 0.59% | 137 291 800 | min. 1 968 701 | min. 1.43% |
| 2013 | 122 684 300 | 19 492 248 000 | 0.63% | 129 412 500 | min. 1 184 393 | min. 0.92% |

table 1

Note (table 1): The figures on the funding for festivals refer solely to the publicly declared funding under some of the budget programmes (see below); that is why they indicate the estimated minimum amount/percent.

- Policy in the area of creation and promotion of contemporary art in Bulgaria and abroad, and access to quality artistic education.

Support for festivals may be provided within the framework of both policy areas, but is granted primarily under the budget programmes in the second policy area.

According to the Ministry of Culture's Report on the Implementation Rate of the Approved Allocation of Expenditures by Policy Area and Budget Programme (hereinafter referred to as the Report) for 2014, among the benchmarks reported by the MC in connection with its second policy, the benchmark that is relevant to the festival sector is "Supported regional artistic events: festivals, contests, celebrations, fairs". For 2014, the MC reports that 43 such events were supported, as compared with a planned 30. Regrettably, there is no information specifically and separately about festivals. It is not 100% certain exactly what this figure stands for, but obviously those are the same events reported as a benchmark of implementation under the budget programme "Supporting the development of Bulgarian culture and arts, the Bulgarian book sector, libraries and community cultural centres". However, it is evident from the Report that the MC actually supported more festivals, contests, celebrations, etc. – including under other budget programmes. In the 2013 report the benchmark is formulated in a slightly different way: "Supported artistic events (festivals, contests, celebrations, reviews, fairs, programmes, projects)"; out of 30 planned projects, 18 are reported to have been supported.

It is advisable to establish and report (correctly and consistently) separate benchmarks dealing specifically with festivals in Bulgaria – for example, "Number of supported festivals", "Number of supported festivals of pub-

lic-financed organizations/of nongovernmental and private organizations", "Visitors of supported festivals". Appropriate benchmarks should be introduced for each of the relevant budget programmes.

In theory, reporting on policies and budget programmes ought to lead to ever better monitoring and evaluation of the work and results of the MC, as the report form requires submission of: a description of the achieved results and fulfilled activities; report on benchmarks of implementation of the programmes (quantitative, qualitative, temporal); sources of information on benchmarks, factors and reasons for the failure to achieve the planned/declared targets. It is important, however, to select adequate benchmarks and to monitor them systematically, instead of having large sections of the report repeating conclusions from the previous year.

The MC implements its two policies through several (budget) programmes. The programmes that are relevant to festivals are presented in the table below, showing the subsidies for projects allocated under these programmes and insofar as it is clear what part of those subsidies was used for funding festivals. Next, this chapter examines in more detail the budget programmes for festivals, for performing arts, for the National Culture Fund and the National Film Centre (which have their own budget programmes), while the generalized information on the other budget programmes for activities supporting festivals is presented in an appendix to the quoted study (Laskova 2015a; no detailed information about them is available, other than the summaries in the MC annual reports).

Notes (table 2): In 2013 the budget programmes were partly different. Instead of the Budget Programme "Performing arts", there were another two – "Theatre" and "Music and Dance" – with an equal budget for subsidies for creative projects; their combined value is shown as the amount for 2013 under Budget Programme "Performing arts".

⁷ Source of information on the MC budget and the total state budget: State Budget of the Republic of Bulgaria Act for the respective year: *State Gazette*, No. 107 of 24 December 2014; *State Gazette*, No. 109 of 20 December 2013; *State Gazette*, No. 102 of 21 December 2012

| Budget programmes under which funding for festivals and festival events can be/was granted | Planned funding, according to MC budget for year, in BGN | | | MC report for 2014 | | MC report for 2013 | | Notes on indicated funding for festivals |
|--|--|------------|------------|--------------------------------------|------------------------------|--------------------------------------|------------------------------|---|
| | 2015 | 2014 | 2013 | 2014 - budget absorbed for full item | 2014 - funding for festivals | 2013 - budget absorbed for full item | 2013 - funding for festivals | |
| Budget Programme "Protection and presentation of tangible cultural heritage and visual arts" | | | | | | | | |
| Subsidy for creative projects and other expenditure on tangible cultural heritage and visual arts pursuant to the Protection and Promotion of Culture Act and the Cultural Heritage Act | 460 000 | 460 000 | 460 000 | 405 300 | Information not available | 88 400 | 25 900 | For festivals, exhibitions and other cultural events |
| Budget Programme "National Culture Fund" | | | | | | | | |
| Subsidy for creative projects – for creation, conservation and dissemination of works of art and culture, and for protection and promotion of cultural-historical heritage pursuant to the Protection and Promotion of Culture Act | 400 000 | 400 000 | 350 000 | 307 100 | 49 907 | 286 000 | 36 773 | For details, see section on National Culture Fund below |
| Budget Programme "Film" | | | | | | | | |
| Subsidy for creative projects – for creation and distribution of Bulgarian films and co-productions with Bulgarian participation pursuant to the Film Industry Act | 13 200 000 | 12 700 000 | 12 700 000 | 11 168 500 | 929 620 | 12 839 100 | 820 720 | Funding from the National Film Centre – see section on the National Film Centre below; for 2013 + funding from the MC |
| Budget Programme "Performing arts" (theatre, music and dance) | | | | | | | | |
| Subsidy for creative projects and other expenditure on financial support for the creation and dissemination of performing-art works pursuant to the Protection and Promotion of Culture Act | 1 450 000 | 1 050 000 | 1 050 000 | 530 400 | 239 974 | 727 900 | 172 410 | The indicated amounts are according to the competition sessions for festivals and contests. Direct funding – BGN 291 000 reported for "Festivals, exhibitions and other cultural events" in 2013, but it is not clear whether this amount |
| Budget Programme "Festivals, contests, events and celebrations" | | | | | | | | |
| Festivals, contests, events and celebrations | 740 000 | 140 000 | 140 000 | 749 200 | 749 200 | 0 | 0 | For festivals, contests, events and celebrations |
| Budget Programme "Supporting the development of Bulgarian culture and arts, the Bulgarian book sector, libraries and community cultural centres" | | | | | | | | |
| Subsidy for creative projects and other expenditure on literary heritage pursuant to the Protection and Promotion of Culture Act | 400 000 | 400 000 | | | Information not available | | Information not available | For both years, one festival is mentioned expressly, with a subsidy of BGN 10 000 in 2013 |
| Subsidy for financial support of activities in the field of intangible cultural heritage, for awards for achievements and contribution to the promotion of culture pursuant to the Protection and Promotion of Culture Act | 325 000 | 325 000 | 725 000 | 700 600 | Information not available | 280 000 | Information not available | Support provided for numerous (amateur) festivals (of community cultural centres). Additional BGN 49 500 for cultural events for community cultural centres and BGN 216 000 for municipal and national folk festivals in 2014 |
| Budget Programme "Promotion of Bulgarian culture abroad" | | | | | | | | |
| Expenditure on membership contributions and participation in non-profit organizations and activities | 64 400 | 64 400 | 64 449 | 33 900 | Information not available | 75 900 | Information not available | – |

table 2

Notes (table 2): In 2013 there was no Budget Programme “Festivals, contests, events and celebrations”, but the Budget Programme “Supporting the development of Bulgarian culture, the Bulgarian book sector, libraries and community cultural centres” contained a special item (comparable in amount to the budget programme for festivals, introduced in 2014) on “Festivals, exhibitions and other cultural events”; its amount is shown for 2013 under Budget Programme “Festivals, contests, events and celebrations”.

The combined amount shown for 2013 under Budget Programme “Supporting the development of Bulgarian culture, the Bulgarian book sector, libraries and community cultural centres” includes allocations for (the expressly specified activities planned for 2013): subsidies for creative projects (BGN 460 000); jubilee anniversaries of individuals and cultural institutions; support for regional cultural activities and events in the sphere of amateur arts and intangible cultural heritage and the National Programme “Living Human Treasures” (BGN 80 000); awards for lifetime achievement, on the occasion of 24 May, etc.

The funds indicated as budget absorbed include the funds reported for a similar item (subsidy for creative projects), stated in the MC report as “Administrative expenditure indicators under other budgets, accounts of EU funds and foreign funds” (this includes, for example, projects under operational programmes, European funds, and other launched during the year.

There are also other programmes under the MC’s jurisdiction which provide funding for festivals, such as the “Mobility”, “Debuts” and “Audiences” programmes of the National Culture Fund (NCF), the National Film Centre (NFC) Executive Agency, and others. Detailed information on these programmes and possibilities for funding is available in the report *An Economic Study of Public Support for Cultural Projects, in Particular - Festivals at the National and Municipal Level* (in Bulgarian) by Rozalina Laskova (2015a), independent expert under this project.



BUDGET PROGRAMME “FESTIVALS, CONTESTS, EVENTS AND CELEBRATIONS”

This budget programme was established in 2014. The funding initially provided for 2014 amounted to BGN 140 000, but in May the Council of Ministers approved additional expenditure of BGN 400 000 on funding for national festivals and events, and on award funds for international competitions conducted in Bulgaria.⁸ As the table above shows, the MC reported BGN 749 200 in expenditure under this programme for 2014. These funds were granted as financial support for the conduct of 29 events of international and national significance (as compared to a planned 30). Among them the major ones were: the Varna Summer International Theatre Festival, the Golden Dolphin International Puppet Theatre Festival, the March Music Days International Music Festival in Ruse, the European Music Festival, the International Ballet Competition, the Sofia International Film Festival and the World Animated Film Festival; as well as numerous events related to the celebration of the 100th birth anniversary of Boris Christoff. The expenditure stated as reported is limited to “subsidies for non-financial corporations” (the terminology distinguishes between “subsidies for non-financial corporations” and “subsidies for not-for-profit organizations”).

According to the MC Report, the festivals and events are selected for co-funding by a committee, following established rules (which are not published), according to the following criteria: degree of representativity; originality and clear vision; number and quality of international participants; sustainability; real possibilities for transcending the festival’s regional or national significance; co-funding and logistic support of the festival by municipal authorities and local business structures; synthesis of the festival as a cultural event; potential and concrete ideas for improving the theoretical and practical skills of artists; statistical indicators – number of viewers who are “cultural tourists”; membership of the festival in prestigious European and world associations of festivals; quality of media coverage; quality evaluation of the festival by the relevant professional community and by the whole cultural community.

⁸ Council of Ministers Decree No. 123 of 20 May 2014, approving additional expenditure under the MC budget, effective 27 May 2014, promulgated in *State Gazette*, No. 44 of 27 May 2014.

II. FUNDING OF FESTIVALS IN BULGARIA AT THE MUNICIPAL LEVEL - SUMMARY

Many of the festivals in Bulgaria are funded by municipalities, mainly through their cultural calendars. In some places financial support is provided also through project financing funds (this, however, is not a widespread practice - just 16 of the 27 regional centres have such funds, along with some smaller cities). In the last few years, the bid for the title of European Capital of Culture in 2019 was a serious funding source for eleven Bulgarian municipalities, thanks to which a series of festivals received financial support. Festival formats are very popular: of classical performing arts, traditional and folkloric forms, children's events, city festivals, close interaction with community cultural centres, etc. The types of events supported by municipalities and other funding sources can be classified into several groups:

- Festivals and events organized by municipalities alone, or in partnership with NGOs, companies, foreign partners, etc.
- Regular events of local communities: city or village festivals, annual awards, etc.
- Innovative cultural events funded under Operational Programme "Regional Development".
- Joint projects financed by other European funds (such as those for rural development, the environment, human resources development, etc.).
- Projects funded by other donor organizations, and above all, by the America for Bulgaria Foundation.
- Socially-oriented projects in the field of the arts.
- Participation of local artists and ensembles in events elsewhere in Bulgaria or abroad, and guest performances by foreign artists in Bulgaria. In this respect, many festivals efficiently use the funding possibilities under the National Culture Fund's Mobility Programme and similar municipal programmes, foreign embassies and cultural institutes, etc.

Many municipalities provide indirect (i.e. non-financial) support for festivals. The importance of this kind of support should not be underrated, as without it many festival events would be impossible. Municipalities usu-

ally provide logistic support (free-of-charge provision of indoor and outdoor venues, sound and lighting equipment, stages, transportation, accommodation, meals, etc.) for the organization of conferences, trainings, etc. A more precise calculation of the monetary value of this contribution would show that it saves festivals a lot of money under various items.

The economic study conducted in the preparation of this White Paper included in-depth research of public support for festivals at the municipal level, which is also an important part of the funding of festivals in Bulgaria (Laskova 2015a).

SPECIFIC CHARACTERISTICS OF FESTIVALS IN BULGARIA

Festivals in Bulgaria have some significant specific characteristics. Among them is the superficial copying of foreign examples, which is indicative of the absence of full-fledged dialogue with different cultures. Clichés are the most common manifestation of this deficiency. In many cases, festival programmes are bland and "off the peg". They lack provocation, unconventional artistic approaches and innovative ideas which provoke fresh views and notions of the world of arts.

For centuries, the Bulgarian traditions existed in *a sort of isolation*. They were preserved and transmitted above all in the sphere of private life. Hence, the reflexes for public sharing of different topics related to the arts, culture and society were generally quite unstable.

The long isolation of Bulgarian culture may be perceived as *a sort of reserve* where folklore, Eastern Orthodox music, icon-painting, local arts and crafts, Thracian tombs, fortresses, monasteries, temples, are still found in their original, authentic form. They are expecting to be given a new lease of life by curious, perspicacious interpreters and fervent fans.

Unlike in Norway, festival events in Bulgaria are funded to a much larger extent by municipalities. Their autonomy, established by Bulgarian legislation, assigns a much more significant role to local self-government, including in funding the most prestigious forums of culture and the arts. The strong influence of municipalities is, in many cases, distorted to the point of depriving the festivals in Bulgaria of autonomy. Festival management is strongly dependent on the *political conjuncture*.

PROBLEMS OF FESTIVALS IN BULGARIA

The problems of festivals in the conditions of the Bulgarian socioeconomic environment can be summarized as follows:

- There is no system for registering and monitoring festivals in Bulgaria;
- Many of the festivals are organized and funded by the local authorities without approved rules of organization and a system for monitoring and evaluation;
- The information about central and local government funding of festival events is not publicly available;
- The absence of most of the major national festivals of music, theatre, dance, and the visual arts from statistics deprives Bulgarian national culture of the possibility for evaluating ongoing processes, for productive creative debate and promotion abroad;
- There is no system for festival appraisal. This largely hampers the creation of a system for differentiated support pegged to their effects;
- The limited public financial resources are divided

among too many festivals. In Bulgaria there is no major, prestigious festival that is up to world standards;

- There is no long-term planning of festivals. Nor is there a system for administration of national, regional and municipal cultural calendars. This has a negative effect both on the even distribution of festival events over the year and on the decentralization of artistic and creative activities;
- There is no continuity and coordination between the cultural season and festivals. This makes it difficult to incorporate the best achievements from the repertoire of cultural institutions in festival programmes;
- With few exceptions, festivals do not work in partnership with the tourist industry;
- There is no self-regulation in the festival sector, through which adequate standards of quality can be maintained.

These are just part of the obstacles facing festivals in Bulgaria today. Many of them attest to the absence of basic conditions for the development of the sector.



SIGNIFICANCE

Festivals in Norway are an important part of state cultural policy. The government in power during the period 2005-2013 gave high priority to culture and implemented it in Cultural Initiative I and Cultural Initiative II.⁹ One of the goals stated that 1% of the government budget should be allocated to culture by 2014. The national cultural budget rose by about 50% from 2005 to 2013 (NOU 2013:4). While the cultural budgets of certain other European countries have been reduced by up to 30% since 2008, Norway's cultural budget has increased 30% during the same period (Rykkja and Vaagland 2014: 23). Since 1950, Norway's state cultural policy is based on three main principles:

Artistic merit is the most important criterion in cultural policy;

Culture and the possibility for cultural expression should be equally accessible to all citizens, regardless of their place of residence and social status;

"The arm's length principle" guides relations between politicians and cultural life. This principle is the basis of organization of national support to the arts, meaning that there ought to be an arm's length distance between politics and art (Rykkja and Vaagland 2014: 17). The role of politicians is to provide subsidies for culture without interfering in decisions about the allocation of these subsidies.

A very important characteristic of Norwegian festival policy is the division between two "classes" of festivals, namely 1) Node-festivals and 2) Other festivals (Rykkja and Vaagland 2014: 23).

There are almost 1000 festivals in Norway, one per every 5000 population. Forty percent of them are music festivals, and 34% are "other types of festivals".¹⁰ Festivals

are funded from the Norwegian Cultural Fund, through an Arts Council whose budget is 1.7% of the state budget for culture. Municipal budgets for culture in Norway total EUR 130 million. An average 3.9% of municipal budgets is spent on culture.

Apart from the Norwegian Cultural Fund and municipalities, festivals in Norway are most often funded by: the Ministry of Local Government and Regional Development, the Ministry of Foreign Affairs, and the Ministry of Trade and Industry; only 5% of all festivals do not get public funding.

ARTS COUNCIL NORWAY

Arts Council Norway was established in 1965 in order to administer the Norwegian Cultural Fund. Arts Council Norway is the main governmental operator for the implementation of Norwegian cultural policy in the "free field" of arts, and the main body representing the arm's length principle. Arts Council Norway functions as an advisory body to the central government and public sector on cultural affairs. It is fully financed by the Ministry of Culture. The role of both national, regional and local levels of government in cultural policy is mainly financial. What all the three levels of government do not want to do is interfere in artistic decisions. The institutions or organizations of culture have exclusive rights to make such decisions (Rykkja and Vaagland 2014: 17). For further information, see <http://www.kulturradet.no/english>

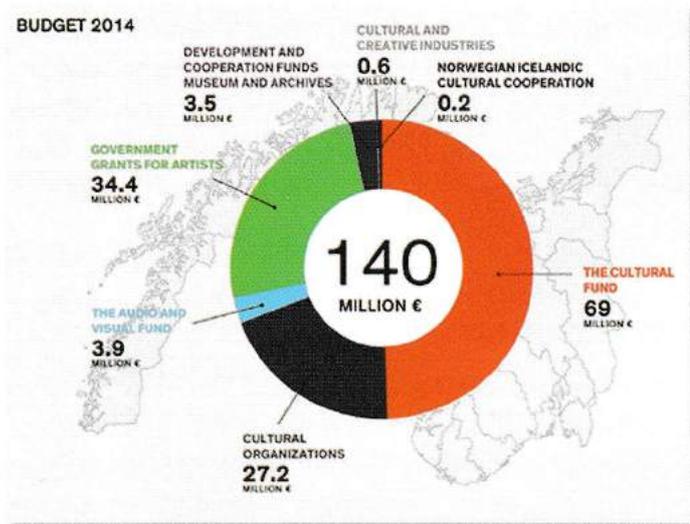
The Arts Council has ten members - appointed by the government - and a staff of around 125 people. It is advised by 27 expert committees. The Arts Council is responsible for the management of the Norwegian Cultural Fund (EUR 69 million in 2014) and of Cultural Organizations under Norway's Ministry of Culture (EUR 30.2 million in 2013). Today, Arts Council Norway is in charge of a broad spectrum of administrative tasks and functions within the cultural field, including artists' grants, the Audio and Visual Fund, and a number of other funding schemes. It also manages government initiatives in the museum and archive sectors.

In 2014, the total allocation from Arts Council Norway to the Norwegian cultural sector amounted to EUR 140

⁹ The Cultural Initiatives give culture a higher status as a social and policy area. The Government's vision is that Norway will be a leading cultural nation in which culture is given prominence in all sectors of society. Art and culture have great value in themselves. Investment in this sector has a strong influence on the achievement of other social goals such as business development, employment, integration and inclusion, health, learning and creativity. More information at <http://www.cdc-ccd.org/Norway-Implementing-the-Cultural?lang=fr>

¹⁰ Most of them are traditional events with different activities in different genres.

million. The allocations provide funding for a variety of projects and activities within the fields of performing arts, visual arts, music, literature, archives, museums and others (Bjerkestrand 2015).¹¹



The final decision on the allocation of money from the Norwegian Cultural Fund is made by the Council, in accordance with the arm's length principle.

The goals of the Norwegian Cultural Fund are to:

- Stimulate create literary and artistic activities;
- Preserve cultural heritage;
- Make cultural life accessible to as many people as possible.

In addition, allocations from the Fund serve to:

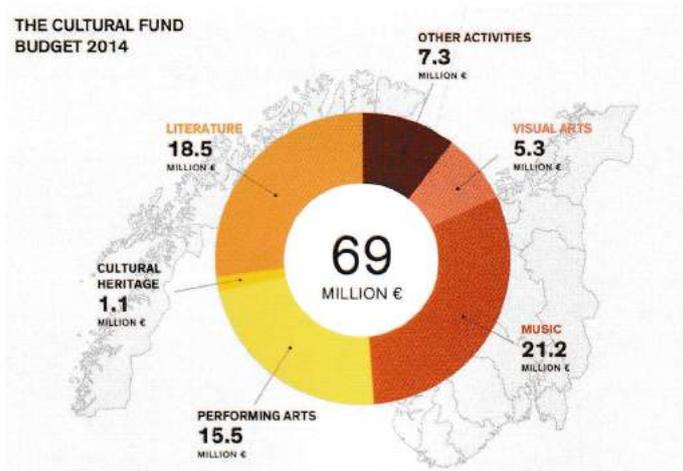
- Support innovative art;
- Encourage new forms of artistic expression;
- Stimulate new presentation methods.

¹¹ The great majority of festivals get their national support from grants administered by the Arts Council (however, grants to film festivals and theatre festivals are administered by other national agencies) (Rykkja and Vaagland 2014: 23).

It is noteworthy that three categories of festival research are regularly conducted in Norway, which study. 1) The cultural impact of festivals, their position in a local, regional and national context. These studies show that festival events may have a role in strengthening local pride and local identity, especially in small communities. They also show that festivals may be an important factor for reducing emigration, which is an everlasting threat to small communities today. 2) The economic impact of festivals. These studies indicate that festivals have the potential to generate substantial effects on local economy. 3) The organizational capacities of festival organizers and media coverage of the events. These studies show that festivals are increasingly becoming an important employer in the sphere of the arts, considering the growing number of freelance artists.

SYSTEM FOR FUNDING OF FESTIVALS BY THE NORWEGIAN CULTURAL FUND

The 2014 budget of the Norwegian Cultural Fund amounted to EUR 69 million, allocated as follows:



The so-called "Nodes system" (the node grant) provides state funding directly from the Ministry of Culture to a limited number of festivals. Their public funding is based on a principle of matching grants between the three different levels of public administration, i.e. the local and regional public authorities must finance 40% cent whilst the national authorities 60% (30% - 70% in the three northernmost counties). This scheme provides



support for 16 “node festivals” - that is, festivals of key national and international significance - out of which 12 are music festivals and one each in the following categories: literature, visual arts, theatre, and film. Node festivals are guaranteed public support for at least four years, from a total budget of EUR 11 038 000 (supporting up to 60% of the festival’s total public funding). All node festivals are subjected to strict monitoring every year to check whether they meet the criteria for node festival status.

Arts Council Norway supports approximately 230 smaller festivals under the Norwegian Cultural Fund, with a total budget of EUR 7 157 000. Film festivals and festivals in visual arts are funded by other national agencies, but still financed by the Cultural Fund.

PROPOSALS FOR BUILDING LONG-TERM PUBLIC SUPPORT FOR FESTIVALS IN BULGARIA

One of the main goals of the BFA is to change the present state of affairs through a gradual and long-term reform of public funding for independent cultural projects and organizations. This will be a long and complex process, which will certainly continue beyond the time frame of this project. Our ultimate objective is to achieve, through a reform of cultural policies at the local and national levels with the active participation of the independent sector, the following: a more favourable environment for the development of Bulgarian festivals, as well as implementation of reforms that will lead to a more efficient and democratic management of public resources in Bulgaria, and their increase to levels that will allow Bulgarian festivals to meet the high standards of those in other European countries.

The proposals for the establishment of long-term public support for festivals in Bulgaria, which you will find below, present two structural variants: 1) Establishing a

Festivals Fund, and 2) Establishing a Festivals Programme within the already existing National Culture Fund. We insist on emphasizing that these proposals are advisory and do not claim to be exhaustive. The principles regulating the activity of both structures should be the subject of further debate with the parties concerned.

ESTABLISHING A FESTIVALS FUND

The Bulgarian Festivals Association proposes establishing a categorization for festivals, implementing the Norwegian concept of "node festival" (such a hierarchy has been already introduced in Sofia Municipality). The node festivals in Norway have a government "mission" consisting of the following nine points:

- local anchoring, i.e. having considerable local support, being a resource in local culture and mobilizing local volunteers;
- festival activity every year, meant for a broad public, and whole-year operative resources;



- leading national position within its cultural field or genre, with a programme of high artistic merit;
- coordinating and cooperative role among festivals of their genre;
- national and international orientation, i.e. presenting artists of high national and international merit;
- innovative and development-oriented, i.e. taking part in developing their genre and doing experimental programming;
- audience development, i.e. working strategically for promoting arts to broad audiences and reaching new audiences;
- good resource management securing attainment of artistic, managerial and audience targets;
- regional participation, i.e. local and regional public authorities must finance 40%, national authorities 60% (30% - 70% in the three northernmost counties).

There are four aspects to consider when formulating criteria for this new scheme. It should be predictable, providing support for an extended period of time (duration), a transparent and based on artistic merits:

1. **Predictable:** That the level of funding allocated to support the festivals financially should be consistent, without fluctuating from year to year;
2. **Duration:** The scheme should grant funding for periods lasting longer than one year, to allow for planning of artistic projects ahead of time. We believe up to five years or continuous funding for two years in advance, based on evaluation and presentation of plans for the upcoming years along with the application, is both a possible and desirable solution from the festivals' point of view. The system would thus simply serve to regulate practice;
3. **Transparency:** That the criteria, application procedure and administrative management of the applications are clear and void of potential interference or favouritism by those in charge of processing them;

4. **Based on merits:** Professional qualities and merits, in particular capacity for innovative artistic programming and professional organization of the event, should be the most important evaluation aspects for the committee's decisions when reviewing applications (Rykkja and Vaagland 2014: 30).

Regarding the above, the BFA suggests the establishment of a National Festivals Fund, hereinafter referred to as the Fund. The Fund will be established for the purpose of encouraging and providing financial support for artistic and/or scientific festivals organized and conducted on the territory of the Republic of Bulgaria. As a budget authorizer by sub-delegation, the Fund will be managed by a Governing Board, an Expert Board, and an Executive Director. The Fund will be established by a Council of Ministers decree as a structure under the jurisdiction of the Council of Ministers, and a subsidy from the central government budget as the principal source of its budget.

To accomplish its purposes, the Fund will also apply for project grants from Bulgarian, foreign and international funding institutions.

The property of the Fund will consist of:

1. A subsidy from the central government, set by the State Budget of the Republic of Bulgaria Act for the respective year as a percentage of the budgets of the Ministry of Culture, the Ministry of Education and Science, the Ministry of Youth and Sports, the Ministry of Tourism, the Ministry of Environment and Water, and the Ministry of Labour and Social Policy. The subsidy from the central government budget will be not less than BGN 6 000 000;
2. Donations, sponsorships, legacies, devises and bequests to the Fund;
3. Income from management of the property of the Fund;
4. Grants for projects funded by Bulgarian and foreign funding institutions or organizations;
5. Target subsidies under the Gambling Act;

6. Income from charity campaigns, fund-raising campaigns and other voluntary contributions;

7. Other sources.

Annually, the Fund will conduct comprehensive monitoring and control of the festivals supported by it.

PURPOSES AND STRUCTURE

The Fund will be established for the purpose of providing financial support for a limited number of node festivals of national significance. The support will be mixed (state and municipal participation), i.e. festivals may apply for state funding which will be granted if the Municipality hosting the festival provides co-funding.¹²

Apart from that, the Fund will support also a definite number of small festivals of regional significance. An Expert Committee will be set up to designate the node festivals of national significance (see below). The Committee will determine which of the festivals of national significance applying for funding meet the eligibility and quality criteria, and merit the status of node festivals that are “key” to the development of the country and international activities. The Fund presupposes that the “node festivals” will receive financial support for at least three years.

The Fund will grant part of the funding of the approved node festivals (amounting to a maximum 60%¹³ of the total amount necessary for the realization of the festival). All festivals that are supported by the Fund will be subject to annual monitoring to determine whether the provision of financial support will continue in the following year.

EXPERT COMMITTEE

The Expert Committee will be made up of experts nominated by the Ministry of Culture, the National Association of Municipalities in the Republic of Bulgaria, the Bulgarian Festivals Association, and independent experts. The Committee will evaluate applicants for node status on the basis of specially designed criteria. Below is a sample of such criteria.

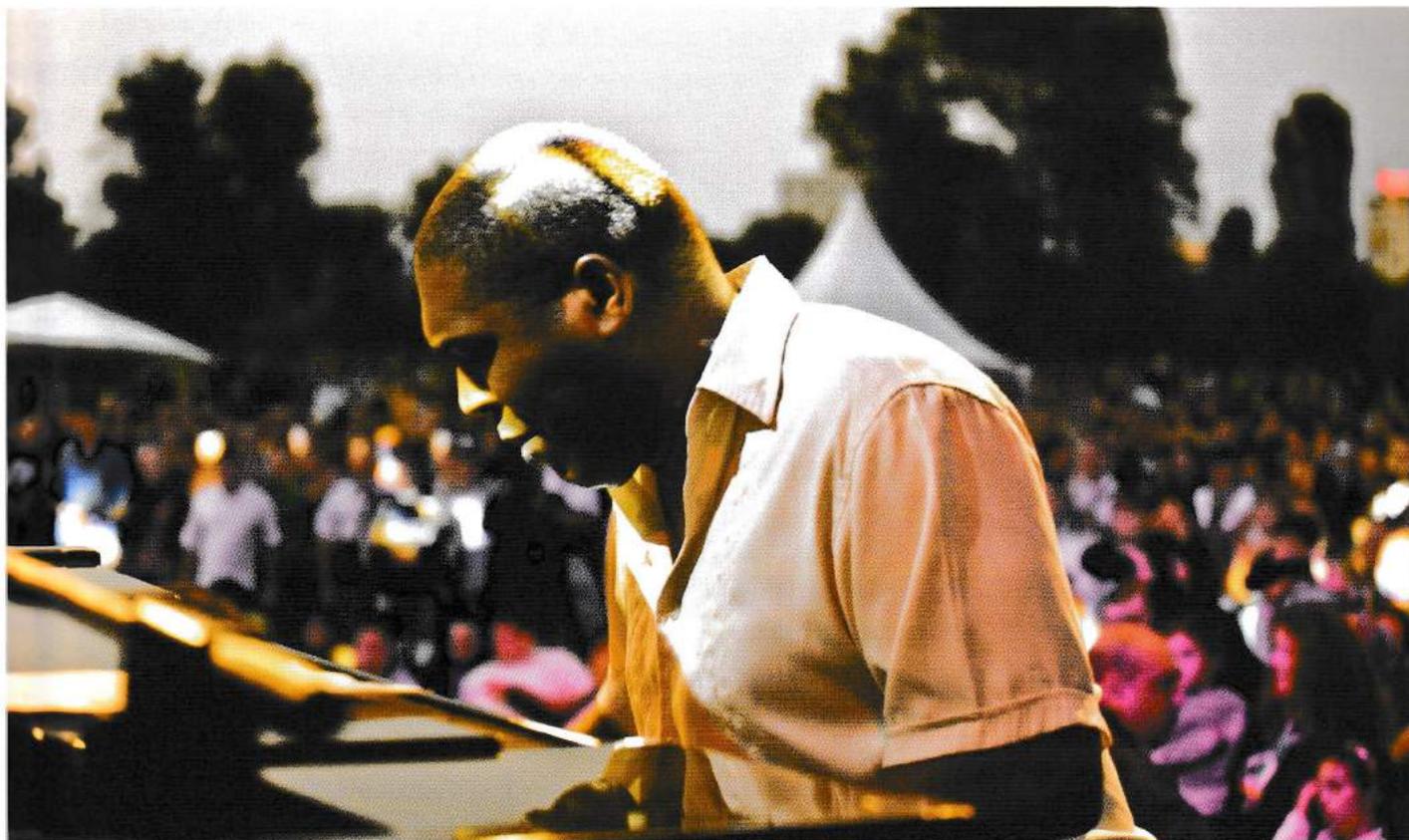
SAMPLE CRITERIA¹⁴

- Presentation of high-quality artistic programmes;
- Observance of the Copyright and Neighbouring Rights Act;
- No debts to municipalities and the state;
- Wide support from the local community and utilization of the human and organizational potential and resources available at the local level;
- Regular periodicity (annual, biennial, triennial, etc);
- Sustainability of the festival – at least five past annual editions;
- High level of representativity in the national and international context;
- National format with at least 50% national productions and artists (for national festivals);
- International format with at least 50% international productions and artists (for international festivals);
- Originality in programming and experimental practices promoting contemporary art;
- Policies promoting young and debut artists;
- Policies on working with the public, on attracting, developing and reaching new audiences;
- Proven good management and high economic efficiency: ratio of public support/sponsorship and donations/sales;
- Membership in prestigious national and international festival organizations;
- Representative distinctions in the festival sphere (for example, EFFE label).

¹² “If state authorities (The Arts Council or the Ministry of Culture) find a festival worthy of national support, it is requested that local or regional authorities also contribute” (Rykkja and Vaagland 2014: 22).

¹³ This amount is advisory. This co-funding between the Fund and local authorities will be subject to further negotiation after the elaboration of Rules of the Fund.

¹⁴ NB: These are just some of the criteria that should be taken into account in evaluating and funding node festivals.



I. Criteria related to the artistic and cultural merit of the festival:¹⁵

1. Artistic merit

This key criterion has three components. *First*, uniqueness of the idea: Does the festival have a specific and powerful concept that distinguishes it from the other festivals in the municipality? *Second*, does the festival's programme reflect this concept: Are the events in the festival united by a common theme and how do the separate events figure in the overall programme? *Third*, artistic merit of the artists - Bulgarian and international - included in the programme. Of course, smaller festivals cannot be expected to invite world stars, but artistic merit is important at all levels.

2. Innovation and new works

Does the festival develop and present new and experimental work in the respective artistic sphere, or show new trends, phenomena and styles? Does the festival provoke development in this cultural sphere? Are new

cultural products created especially for the festival and, in particular, products with international partners?

It must be noted that the presence of this criterion does not belittle the importance of the classical genres, especially when the content presented by the festival is little known and rarely seen.

3. International dimension

Is the festival part of the international cultural exchange? Does it attract international participants, including artists, curators, members of the panel of judges, masterclass teachers, experts at conferences, etc.? Special emphasis should be given to the creation of possibilities for creative exchange and cooperation with international guests during their visit.

4. Bulgarian cultural content

Does the festival encourage the creation, presentation and promotion of Bulgarian works and Bulgarian artists?

¹⁵ These criteria are presented in the form of questions, whose answers should indicate the direction in which the evaluation criteria should be elaborated in detail.

II. Criteria related to communication with and expansion of audiences

5. Communication and marketing

To what extent does the festival work for its promotion and marketing? Does it have a communication strategy or another system for promotion via various media, including the internet, social networks, informal networks, etc.? What part of the festival's budget is allocated to promotion and advertising?

6. Scope, accessibility, expansion of audiences

This criterion is designed to show what, and how big, is the audience of the festival, as well as what efforts will be made to attract new audiences, including through outdoor events and events at unconventional locations.

It is important to note that the number of visitors cannot be the only or main criterion.

7. Educational focus and educational programmes

This criterion includes two components. *First*, does the festival contribute to the professional development of artists in the local community and in Bulgaria - for example, by offering possibilities for public performance, participation in masterclasses, workshops, etc.? *Second*, does the festival include forms designed to cultivate and educate new audiences, including, but not only, children and youth audiences?

III. Criteria related to the organizer of the festival

8. Organizational capacity and sustainability

What organizational and financial experience does the festival's organizer have? When was the festival launched and how has it developed since? Has it established partnership networks in Bulgaria and abroad to secure its sustainability? How has it been funded to date, and which are its public funding sources? What amount of co-funding does the festival obtain from other sources (apart from municipalities)?

9. Self-evaluation mechanisms

Does the festival have its own system for qualitative and quantitative monitoring, that is, does it have information about its audiences in terms of number, gender, age, etc.? Does it have feedback from audiences and experts? Is such information used to improve the festival's activities? Does the organizer duly pay copyright fees for the works presented at the festival?

NB: Each one of those criteria should have a different weight in evaluating festivals. Priority should be given to the artistic criteria and high artistic merit.

ELIGIBILITY AND GRANT-FUNDING RULES

The Fund will support festivals that meet carefully elaborated criteria, part of which are listed above. To be eligible for accreditation, festivals must meet several criteria related to their sustainability, legal autonomy, organizational capacity, contribution to national artistic culture and intercultural dialogue, achievement of an organic synthesis between tradition and modernity, wide national and international coverage, productive intra-sectoral and inter-sectoral partnerships (especially with education and tourism). Other important conditions for guaranteeing long-term financial support are the following:

- Festivals must have arranged at least 40%¹⁶ of their budget before applying for funding from the Fund;¹⁷
- The arranged 40%¹⁸ may be provided by municipalities, partner organizations, donors, the business sector, etc.;
- Funding from more than one state structure is inadmissible (for example, funding of film festivals simultaneously from the Festivals Fund and the National Film Centre/National Culture Fund).

¹⁶ This share is recommended. Upon the elaboration of Rules of the Fund, this shared funding between the Fund and local authorities will be subject to further negotiation.

¹⁷ Based on consultation with the municipal authorities. Here it should be kept in mind that the amount of co-funding from municipal authorities, partners, sponsors, etc., may vary and is subject to further negotiation.

¹⁸ See above.

ESTABLISHING A FESTIVALS PROGRAMME WITHIN THE NATIONAL CULTURE FUND

PURPOSES AND STRUCTURE

In the existing social and political conditions in Bulgaria, the most realistic option would be to establish a Festivals Programme within the National Culture Fund (NCF). To this end, the Rules of Organization of the NCF should be supplemented, providing for programmes with more autonomous organization and management. This also corresponds to the need to amend the Rules of the NCF in connection with the proceeds expected under the Gambling Act. The main purposes of the Festivals Programme should be the following:

- Encouraging and funding artistic festivals organized and conducted by cultural operators registered on the territory of the Republic of Bulgaria;
- Maintaining a database of information about festivals;
- Periodic monitoring and evaluation of the existing festivals;
- Appraisal and accreditation of festivals eligible for subsidies.

ELIGIBILITY AND GRANT-FUNDING RULES

The NCF will appraise and accredit, according to special Rules, festivals eligible for subsidies. They may receive differentiated grades (good, fair, and poor). As in the case of the proposed Festivals Fund, to be eligible for accreditation, the festivals in this Programme of the NCF must meet certain criteria related to their sustainability, legal autonomy, organizational capacity, contribution to national artistic culture, etc. (see above). The Fund may organize, once a year, a support session for festivals of international significance and for festivals of national significance. Depending on the results, the Fund may fund festivals under one-year, two-year, and three-year grant contracts, conducting annual monitoring of the activity of the cultural operators.

To ensure more equal presence of the different arts, the existing practices and the Norwegian experience show that it is advisable to divide festivals in the following categories:

1. Music and Music Industry
2. Dance and Theatre
3. Cultural-Historical Heritage
4. Literature
5. Visual Arts
6. Multidisciplinary Festivals
7. Film¹⁹

All those categories may be established as sub-programmes, with a relatively independent system of evaluation within their quota.

The distribution of subsidized festivals by region and in time is extremely difficult, considering the unevenly distributed administrative and expert potential. As regards the periods of conduct of festival events, because of the absence of comprehensive research and data on cultural calendars, it is advisable to subject them to preliminary discussions and debates with the parties concerned, including branch organizations, the National Association of Municipalities, the Ministry of Economy, the Ministry of Tourism, and independent cultural operators.



¹⁹ It should be kept in mind that the inclusion of film into this structure for provision of long-term support is subject to further specification. The existence of the Bulgarian National Film Centre Executive Agency, which provides financial support for film festivals, should also be taken into account. The model in Norway and other European countries also shows that film festivals are funded separately from the other festivals.

CONCLUSION

This White Paper is designed to contribute to the development of the festival sphere in Bulgaria by presenting an analysis of the issues discussed above that is more in-depth than those offered to date. It should be noted that the studies on festivals available at present – in Bulgaria as well as in Europe – are few and only partial. This, however, does not change the fact that festivals are becoming an ever more popular format which provides possibilities for experimentation and innovation, and enables intra-sectoral and inter-sectoral partnerships, exchange of artists, experience and values, respect for traditions, as well as attempts to rethink and update traditions, and to achieve positive cultural, social and economic effects.

Bulgaria's cultural policy is developed partly as a result of proposals and lobbying for publicly beneficial projects by a diverse range of nongovernmental and artistic organizations. This process of policy design with the semi-official participation of those groups is at the basis of

the principles of civil society. That is why it is important that this White Paper – which unites independent expert studies and data provided by the festival sector itself, representatives of local and national authorities, etc. – is a product precisely of active civic participation in the process of developing cultural policies.

We hope that the observations and notes on the festival situation (in Bulgaria, Norway and Europe) presented and the key issues raised in this White Paper will elucidate the significance of festivals on the contemporary cultural scene. The need to introduce clear rules and standards of quality of the offered cultural product and the need to establish a long-term funding system is obvious and urgent. Festivals, regardless of whether they are held in Bulgaria or in Norway, need transparent, sustainable and predictable funding schemes based on merit. We hope that this White Paper will serve as the basis for the implementation of the recommendations and constructive solutions suggested here.



APPENDIX: RECOMMENDATIONS FOR TRANS-PARENT AND EFFECTIVE PUBLIC SUPPORT FOR THE CULTURAL SECTOR IN BULGARIA

The recommendations selected by the BFA and offered below are *part* of the recommendations and good and bad practices identified and formulated in two studies conducted by Rozalina Laskova, independent expert under this project, at the beginning of 2015: *An Economic Study of Public Support for Cultural Projects, in Particular - Festivals at the National and Municipal Level* (Laskova 2015a) and *A Study of the Legal Framework of Public Support for Cultural Projects, in Particular Festivals, at the National and Local Level* (Laskova 2015b). The full set of recommendations of this independent expert can be found in the studies themselves. The recommendations regarding the analyzed concrete funding mechanisms can be understood also as recommendations to all other institutions concerned. The list offered here is partial, with a view to a clearer presentation of the findings of the above-mentioned studies, and does not claim to be a comprehensive and exhaustive analysis of all aspects and institutions concerned.

FUNDING APPLICATION PROCEDURES

Recommendation: The call for funding applications should be announced as early as possible in the year in question or even at the end of the previous one, where the deadlines for the announcement of an application procedure may be pegged to the adoption of the municipal budget (as in Ruse or Veliko Tarnovo); it would be even better, however, if the application deadlines are fixed (as in Burgas) and/or announced as dates at least one month in advance (as is the case with the Sofia Municipality's 2015 Culture Programme).

Recommendation: Introduce a special online platform allowing electronic submission of projects (as is the case with Sofia Municipality's Culture Programme) or applying through a (simplified and easy-to-fill-in) online application form (as is the case with the Sofia Fund for Innovations in Culture).

Bad practices: The Ministry of Culture works with "outdated" and incomplete application forms requiring part of the main important information to be provided as attachments, while the budget table is in a sample form that is also in MS Word format - which is extremely impractical; the National Film Centre requires submis-

sion of an application form (similar to the application forms of the Ministry of Culture) and attachments in seven identical copies on paper.

CRITERIA AND EVALUATION. GUARANTEES OF NEUTRALITY. MONITORING AND CONTROL

Recommendation: The condition (as is the case with the Sofia Municipality's Cultural Calendar) that stipulates that events which have not been granted support to date may be included in the Cultural Calendar provided that they address unexplored topics/genres or brand new audiences is not entirely fair, despite the aspiration of the Cultural Calendar to support traditional and well-established significant events. On the territory of Sofia Municipality there are also other, many-year-long and established, large-scale events which have not been included in the Cultural Calendar in previous years solely because of the application of less clear criteria and procedures in the past.

Recommendation: The criteria for content evaluation should be formulated (in the application rules/guidelines) and published in advance, including in the form of a methodology and table/checklist for evaluation (this is the case with most of the municipal programmes). During the Ministry of Culture's support sessions for projects in the sphere of the performing arts, it should be unacceptable for expert committees to discuss, adopt and record the evaluating criteria in the respective session before their meeting.

Recommendation: Regarding the amount of the grant, within the framework of an announced maximum amount admissible per project, not less than 80% (or another justified percentage) of the applied-for funding should be granted; this condition should be part of the respective application rules or guidelines (as is the case with the Ruse Municipality's Culture Programme).

Bad practices: In some municipalities there are singular cases where separate festival events receive simultaneous co-funding under a programme based on a competitive principle while figuring also in the Cultural Calendar adopted by the Municipal Council, i.e. they receive also direct support from the municipal budget (even if the funding itself is theoretically provided for different budget items).

EVALUATION OF PROJECT PROPOSALS AND EVALUATION COMMITTEES

Recommendation: The expert evaluators, selected after an open call for experts in the sphere of culture, should apply for membership in the evaluation committees, submitting a freely formulated application, a professional CV and at least one letter of recommendation (as is the case with the Sofia Municipality's Culture Programme). Or, at least in the cases of an expert board/committee which "manages" the respective programme but at the same time also evaluates the content of projects, in which there is a quota for independent external experts – these experts should be selected on the basis of written applications (as is the case with the Varna Municipality's Culture Fund), or at least on the basis of proposals from local NGOs/artists (as is the case with the Burgas Municipality's programme under the Rules of Co-funding Cultural Projects).

Recommendation: The list of the selected members of the evaluation committee should be published online (as is the case with the Sofia Fund for Innovations in Culture).

RECOMMENDATIONS REGARDING THE LEGAL FRAMEWORK OF PUBLIC SUPPORT FOR FESTIVALS

As a whole, the weaknesses in the system for festival support come less from the existing legal framework than from its inconsistent, incomplete and non-transparent application. Some of the above recommendations regarding concrete funding mechanisms also apply to the legal framework insofar as their implementation would require a revision of the existing legislation.

For example: autonomy of the National Culture Fund as a budget authorizer by delegation; the proposal that 1% of the income tax on natural persons should accrue to the budget of the National Culture Fund or another institution; amendments of other provisions in the tax legislation which could have an impact on the model(s) of funding culture and the arts (VAT rate; tax concessions, etc.). A number of operative improvements in the funding mechanisms could require revisions in the relevant primary and/or secondary legislation – which would lead also to greater transparency. The introduction of an entirely new model(s) of funding festivals at the

national and/or municipal level could also require revision of the existing legislation; adoption of relevant legislation would ensure stability and legal certainty.

Recommendation: It is recommended that all municipalities regulate, by a specific statutory instrument of the municipal council, the festival funding mechanisms so as to preclude conflicting or non-transparent practices of funding by an order of the mayor and/or resolution of the municipal council.

• Protection and Promotion of Culture Act

This Act stipulates that the amount of the subsidy for each of the municipal cultural institutes for the respective year must not be lower compared to the previous year, regardless of the revenue from their activities; and that this subsidy must be determined at a rate of the expenditures not lower than the amount allocated for that purpose in the budget for the previous year. This provides a measure of legal certainty about the sustainability of subsidies for municipal cultural institutes. Still, it is advisable to find and legislate an appropriate way of pegging the amount of the subsidy not simply to the amount in the previous year, but also to the need, topical relevance, impact and effects of the realized activity/activities.

Recommendation: The Ministry of Culture should elaborate (in partnership with representatives of all types of cultural organizations and spheres of culture and the arts) and propose, and the Council of Ministers should adopt, a National Strategy for the Development of Culture with clear priorities regarding the funding of cultural projects, and in particular, of festivals.

Recommendation: Establish more municipal funds for support of projects within the meaning of Article 36 of the Protection and Promotion of Culture Act.

• Financial Support for Culture Act

The state supports and encourages providers of financial support for culture through tax, interest-rate, customs and other financial and economic relief under the relevant special laws. It is worth making a more detailed analysis of concessions and incentives for providers of financial support for culture, as well as of the tax legislation, which would be the subject of another, more specific survey.



Recommendation: Implement Article 31, according to which the state will organize a lottery in support of culture under the terms and according to the procedure of the Gambling Act, where at least 75% of revenue after taxes and deduction of costs and profits will be used for the needs of national funds assisting the creation of works of culture established in pursuance to a law. This obligation of the state should be included rather in the Protection and Promotion of Culture Act.

- **Creative Funds Act**

Recommendation: This Act should be revised and adapted to the contemporary reality of the policy in the sphere of culture and the arts, in harmony with the Protection and Promotion of Culture Act and the relevant judicial practice.

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