



# CULTURE

for Cities and Regions

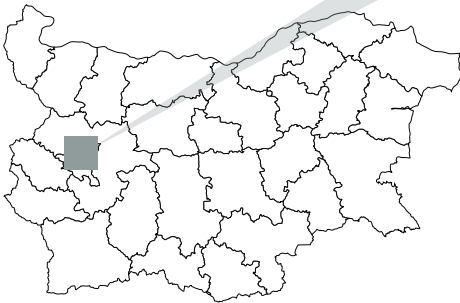


## Fund for Innovations in Culture: Private and public investment for culture



- Access to finance
- Cross-sectorial collaboration
- Private/public partnerships
- Better governance
- Social innovation
- New business models

### Context



Sofia is enjoying unprecedented growth of its economic infrastructure and is not only a rising star in Eastern Europe, but also one of the fastest growing low-income cities in all of Europe. The city spearheads Bulgaria's economic growth, hosting 39% of the country's university students and a large youth population, and ranking fifth in Europe in tertiary education levels. Sofia also ranks third in Europe in terms of start-ups, which reflects its flourishing entrepreneur spirit and vibrant development.

In 2007, the city established the Sofia Municipality Europe Programme: along with the Culture Programme and the Cultural Calendar, it encouraged civic action and cultural offerings in Sofia. A Strategy for the Development of Culture in Sofia was designed in 2012 for the 2013-23 period, focused on access to culture, cultural capital, cultural heritage, the creative economy and cultural participation, with a view to improving the city's image in the European and global cultural fields and to facilitate access to funding and subsidies for the cultural and creative sectors.

The city put forward a bid to become Bulgaria's European Capital of Culture (ECOC) in 2019. Under the name of "Sharing Sofia", it presented a large programme, organised in three consecutive seasons. To support this bid, there has been substantial investment in cultural infrastructure and projects, using EU and city funds. The objectives were to renew the cultural sector, be more visible on the European cultural map, and nourish creativity and retain talent. Although Sofia was not chosen, some of the projects have been maintained, such as the Fund for Innovations in Culture.

## Fund for Innovations in Culture



The establishment of a Fund for Innovations in Culture must be understood as part of the larger strategy to support the cultural and creative sectors in the build-up to the bid to become the 2019 ECoC. To quote the managing association of the fund, "[It] was created in the context of the bid for the title, but also with the goal to become a successful and sustainable practice that helps to support and develop creativity and culture in the city through a partnership between public institutions and private companies". It was informed by previous experiences and best practices from other European cities as well as recommendations from thematic groups and experts in good governance. Managed by the Sofia Development Association, a body set up by the city, this public fund has been the first of its sort in Bulgaria.

The fund proposes a public private partnership model, which began functioning in 2014, to provide access to funding for more innovative and risky cultural and creative projects: all private funding collected is indeed doubled by the Sofia municipality. The view is to make cultural initiatives sustainable in the longer term. The fund provides grants and subsidies to independent cultural operators or individual artistic projects. Project proposals can be submitted in Bulgarian and English, thus broadening the access for international organisations and artists to work in Sofia.

The mission of the fund is to improve the effective management of financial resources and the development of local philanthropy. It aims at supporting cultural and creative enterprises in Sofia, encouraging citizens' (particularly young artists') participation and creating cross-sector partnerships (e.g. with education, science, social services). Areas which are least developed are a specific focus.

Examples of supported initiatives are the Art Photo Fund, a programme involving "art angels" – renowned photographers who "support innovative cultural projects by shooting and presenting them to the large public in a creative and provocative way (and) promote(s) socially beneficial ideas of civil, cultural and artistic organisations", or Share MP3: Media, Music, Movement, whereby young IT specialists and artists "develop together special software for 3D Kinect sensor that (transforms) movement and music into colourful pictures". Other initiatives focused on education, architecture, theatre and music pieces



## Budget and financing

The budget was established with the support of the Bulgarian Charities Aid Foundation, itself funded by the America for Bulgaria Foundation. Primary assets were collected by representatives from businesses which decided to donate an annual amount to the fund. In exchange, they have the right to become Members of the Board of Trustees and participate in decision-making. Support from these sponsors can be financial or in-kind (renovation of cultural monuments/buildings, promotional art lighting, thematic scholarships, etc.). The Sofia municipality has committed to doubling the amount of assets collected, so that it participates in the fund at a level of 50% (matching funding on an annual basis).

The fund is managed by the Sofia municipality and the Sofia Development Association, set up by the former. From 2012 till 2014 the Sofia Development Association annual budget for the city's ECoC 2019 candidacy increased from €226,000 (BGN 442,000) to €261,000 (BGN 510,000) with half of the money coming from the municipality, peaking in 2013 at €360,000 (BGN 704,800). In order to achieve sustainability, the fund puts aside a certain percentage of the accumulated funds for capitalisation every year. The remaining part of the capital will be spent on project funding through calls for proposals for thematic programmes or as per the association's desire.



## Impact

The first call for proposals for eligible institutions in the field of culture as part of the "Sharing Sofia" ECoC bid programme received a large number of responses and selected 16 projects to be funded for a total of €45,000 (BGN 90,000).

The first annual report will be published in 2015 and will provide a more detailed account of the achievements and projects, and to what extent the Funds for Innovation in Culture contributed to them.



## Sustainability

The fund aims at encouraging private investment by doubling it with public funds. The goal is to achieve a model of sustainable development of culture that increasingly relies on private input and local philanthropy. As it has done in other cities, the ECoC bid stirred the interest of many actors and the general public, and all subsequent efforts are now directed at maintaining the momentum and helping cultural and creative initiatives to develop lives of their own.



## Management level and partners

The fund has been created under the structure of the Sofia Development Association, itself registered as a non-profit legal entity and also coordinator of the activities related to Sofia's bid for ECoC 2019. The business sector is present at the management level with the Sofia Development Association, and is not only invited to donate funds but also to participate in the management, mentoring, project selection and project evaluation. Contributors of over €12,800 (BGN 25,000) have the opportunity to become members of the fund's Board of Trustees and to participate in the fund's management. In addition, businesses are offered to place their corporate logo on advertising material, Internet pages, public events, press conference, billboards, etc, and receive free or discount tickets for their employees to supported events. Media visibility is another opportunity (press, TV, radio broadcasts). The Board of Trustees is also composed of councillors from the Sofia City Council, and proposes guidelines and determines annual priorities. Annual programmes are then produced by the Advisory Council, which includes civil organisations with experience in philanthropy and members of the creative community.



Links :

[fond.sofia-da.eu/en/](http://fond.sofia-da.eu/en/)

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