

European Cultural Foundation

Annual Report 2021

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President's Message

Culture is the Software of Building a Better Europe

The Covid-19 pandemic made the increasing gaps in society between the haves and the have-nots, painfully visible. Also the need for room for those who feel unseen and unheard and who, for whatever reason, want and can participate in society in a different way. Dialogue, in which all perspectives across society are taken seriously, is the basis of an inclusive, resilient and sustainable society.

These are great ambitions that transcend organisations and even generations. They go beyond our own lifetime so they ask that we learn to think and act beyond ourselves. That is a precondition for solutions that require systemic change.

To achieve this, we need to go beyond collaboration and networking and build trust. To move from partners to allies, who work as equal change-makers to tackle the issues of shared concern. To not only just talk about solidarity but create solidarity through action. Investing in arts and culture in times like these is an investment in our shared future based on solidarity.

Artists and cultural figures are drivers of change. They give hope in times of anxiety. They provide resistance against demagogues and lies. They keep the connection across polarized lines. They imagine a better Europe beyond borders, spheres of influence, polarization and simplistic talk of growth rates. They can help save Europe from nostalgia for 20th-century nationalism. Investing in arts and culture in times like these is an investment in our shared future.

Cultural actors and artists create spaces that push us to imagine new ideas and possibilities. They are well aware of the controversy and discomfort they create by challenging the status quo, but they are driven by their independence of mind. They set an example for everyone to reflect, act and engage as citizens to feel the responsibility to shape society.

For the past 67 years, the European Cultural Foundation has been a firm advocate of a Europe grounded in culture. Moreover, it has supported those who, even in the most complex and difficult socio-political contexts, strive to express their own vision of society and of Europe.

The European Cultural Foundation has always envisioned a Europe where citizens feel they belong and of which they are proud, a place where they can live, express themselves, work and dream freely, in diversity, inclusivity and harmony.

Culture is the software of building a better Europe – inclusive, resilient and sustainable. It motivates us to see what we can achieve if we work together creatively, with focus and urgency. In this, we should be as imaginative as possible and take inspiration from the former Polish leader Lech Walesa, who said “The sole and basic source of our strength is the solidarity of people who seek to live in dignity, truth, and in harmony with their conscience.”

HRH Princess Laurentien of the Netherlands

President, European Cultural Foundation

Director's Report

Resilience between a pandemic and war

How will we remember the year 2021? Will it be remembered as the interlude between 2020, the year when the Covid pandemic started, and 2022, the year when war came back to Europe? Not in the books of the European Cultural Foundation. 2021 was a year of tiring uncertainty, incredible resilience and imaginative creation.

In 2021, the Coronavirus pandemic entered its second year and despite vaccines being developed in record time, it caused continued hardship for millions of people not least in the culture sector. In addition, existing challenges like the climate crisis, growing inequalities, societal polarisation, warmongering and shrinking public spaces have been further amplified. If there was one common thread it was uncertainty.

In 2021, the Culture of Solidarity Fund was our flagship initiative as a flexible instrument to support cross-border European activities in times of uncertainty and cultural lockdown. While it was initially established as a temporary crisis response, its relevance had not diminished, or rather, it had increased. Armed with the experience and lessons of the start-up phase in 2020, we retooled the fund, improve the impact, quality and representation by focusing on certain themes and geographies, as well as further developing the multiple partnership model. In 2021, we issued three editions of the fund.

How can Europe manage the Coronavirus crisis as a cultural and societal challenge without breaking apart and even use it as an opportunity for positive change? Under Imagine Europe, we design, develop and fund a portfolio of projects that tell the stories of Europe and imagine a better Europe post-Coronavirus. This included the European Pavilion network and the Europe Challenge, which will award innovative ideas to deal with a world full of uncertainty in partnership with the public library of Amsterdam (OBA).

Under Share Europe, we design, develop and fund a portfolio of projects that promote a functioning and safe European public space. This included a research and advocacy project for a safe European digital space, the debating platform

Europe Talks, enabling safe physical cultural spaces and the Culture and Creative Spaces in Cities initiatives.

Under Experience Europe, we design, develop and fund a portfolio of projects that create a European sense of belonging through cultural and educational exchanges of people and common practice. This portfolio was heavily affected by the Coronavirus crisis as physical cross-border mobility and cultural exchange had almost come to a standstill. However, providing physical people-to-people contacts and European experiences remains important post-Covid-19. In the meantime, we designed new formats for people-to-people contacts by shifting some of our Experience work into the digital space before we can complement these digital encounters with physical encounters and cross-border mobility again. Initiatives in the Experience portfolio include a new multi-annual programme for young Europeans in cooperation with Stiftung Mercator (Generation Europe+) and Tandem Regions programmes. The European Cultural Foundation co-funds and implements a large-scale EU pilot project on cross-border mobility for artists and cultural professionals (i-Portunus Platform) in times of (post-) Coronavirus and climate change. Starting with our own programmes, we implement and advocate for cross-border cultural initiatives in a climate-neutral way (Culture for Climate Action).

Culture has been among the sectors that have been most severely hit in Europe. In 2021, we continued to advocate for dedicated support and funding for the recovery of the culture sector at both national and European level by making culture part of Europe's recovery plans and budget. Our campaign for a Cultural Deal for Europe was an extension of our Culture of Solidarity initiative and it resulted in significant financial commitments of the EU and its member states to the revival of the cultural sector in Europe.

What did we learn in 2021?

In our Work Plan 2021, we observed that the vision, mission and programmatic focus of the foundation remains relevant in these challenging times. In dealing with the uncertainty of the situation, we added a sizable 'flexibility component' – the Culture of Solidarity Fund. We aimed to navigate a triangle of Uncertainty, Focus and Flexibility.

Our Culture of Solidarity (COS) Initiative has proven to be a relevant, valued and contemporary interpretation of the European sentiment during times when

national and regional approaches seem to come first. In addition to new COS editions, we will consider a rolling fund with some annual priorities.

The massive investment of governments and the EU to mitigate the crisis has provided an opportunity for public-philanthropic partnerships in (re-) building Europe. It is complicated to leverage the discrete charm of bureaucracy, but we are working towards it with determination and imagination. Together with Culture Action Europe and Europa Nostra are now advocating for a Cultural Deal for Europe, which should result in €15 billion investment (2% of the Recovery Fund) in the European cultural sector. If we are successful, we need to monitor whether the money is usefully spent.

The last year has been challenging for all staff. The European Cultural Foundation has been supportive and flexible, with management and staff representation working hand in hand. Overall, resilience and performance have been solid, but for some the burden has been harder than for others. Staff need continued clarity, support and guidance from management. We need to invest consistently in our organisational culture and communication.

For most of 2021, we have worked together in the digital ECF office. Somehow it works. We miss some aspects of the physical office but not others. There are advantages to remote working for a pan-European organisation like the European Cultural Foundation – like temporary outposts across Europe. What do we want to retain from the 2020/21 remote work experience and what do we definitely not want to retain? How much flexibility is possible without losing organisational cohesion? How can we define a forward-looking Work Culture? And how can we integrate our climate goals into this?

The last two years have been almost travel-free. We have saved a lot of carbon and time. What is a healthy and sustainable travel policy for an organisation that invests in European people to people experience, which needs a constant breath of European exposure but also appreciates the seriousness of the climate challenge?

In 2021, we have invested in additional internships for young professional working in programmes, public policy and communication. It has been a win-win for both the European Cultural Foundation and the interns and will be continued.

We need to watch changing attitudes towards philanthropy in general and new draft regulations on cross-border financing in the Netherlands and Europe in particular, which could have big implications on the foundation's core business model.

As challenging as 2021 was we know that it is followed by an even more challenging year 2022. We need to stay resilient, focused and flexible.

Together we can.

André Wilkens

Director, European Cultural Foundation

Purpose, Mission and Vision

Purpose

According to the Articles of Association (article 2), it is stated that the ECF's purpose is

Article 2

The objective of the ECF, an organisation in the public interest, is to support and promote cultural activities of a European nature.

The ECF does not aim to make a profit.

In our current context, this means that we develop and support initiatives with a focus on culture, education, climate and civil society that let people share, experience and imagine Europe.

Mission

The European Cultural Foundation is committed to promoting a European sentiment through culture and common experience. "The European Cultural Foundation was created for the stimulation of the European sentiment, [...], to promote the development and preservation of a feeling of mutual comprehension and democratic solidarity between the peoples of Europe by encouraging cultural and educational activities of common interest."

Our founding fathers formulated this mission in 1954. This mission is as relevant today as it was 67 years ago, possibly even more so. There is a growing polarisation of societies and simultaneously a lack of civilised debate. Economic divergence is increasing and inequalities are visibly rising. These divisions are leading to fragmentation between countries and polarisation within societies. There is the threat of European disintegration. Europe needs to create a renewed European sense of belonging. By doing so, we can go a long way but without it, Europe is vulnerable to regression and set back. Therefore, promoting a European sentiment through culture and education will continue to be at the heart of what we do – not out of nostalgia but because, despite everything that has been achieved, a European sentiment is still in short supply.

Vision

The vision of the European Cultural Foundation is a united Europe that makes a positive contribution to solving the most pressing problems of our times. We are primarily a foundation for Europe that is guided by the European common good. Culture is the space where we in Europe understand how we can live together, understand our identities and feel at home. Culture is key to building European identities. European identities are not exclusive but made of many belongings, inclusive of national, regional and migrant belongings and identities. Culture is an ongoing social process that deals with what people and communities believe they have in common. Culture, cultural work, artistic expression and production are all about ‘assigning meaning’ and experiencing and living our values on a daily basis. It is the space to question, re-think and refine the essential principles for which we stand as Europeans. Culture is the field that engages people in experiencing, valuing, shaping and imagining Europe as their common public good. As a genuine European foundation, which has focused on the role of culture during our rich 67-year history, makes us a unique actor in Europe. While, in this sense, we are different from other arts and cultural foundations that have a primarily national or local focus, we work closely with like-minded foundations, including on joint programming. Europe is more than the EU, but the EU is its central societal achievement and its key actor. However, the EU is not perfect and needs reform. The European Cultural Foundation will challenge the EU and its member states to live up to the original promise of creating peace, stability and prosperity. We operate in the context of major global challenges, in particular the climate and digital challenge. Europe is no island and has to make a positive contribution to solving the most pressing challenges of our times.

Activities Report

Three thematic clusters define our programme actions to inspire people and communities to SHARE Europe – EXPERIENCE Europe – IMAGINE Europe. Our programmes focus on Europe as a deeply cultural community. They engage Europeans from many backgrounds to experience the common space they share. They stimulate citizens to imagine their futures freely and open-mindedly and support the co-creation of Europe as a shared public space for everybody.

Share Europe

Under Share Europe, we design, develop and fund a portfolio of projects that promote a functioning and safe European public space. Share Europe highlights the importance of Europe as a shared public sphere in which people with different cultural and national backgrounds and views are connected, providing an alternative to looking at Europe only through national lenses.

In 2021, this included the building of a coalition to shape a European media landscape, a research and advocacy project for a safe European digital public space, and enabling safe physical cultural spaces. This year also, the three-year Cities of Change programmes, co-funded by the European Union were concluded.

Initiative for a European Public Space

Since online spaces are controlled by private interests and traditional media is giving us mostly national perspectives, the inhabitants of Europe lack the space to debate a shared interest for Europeans, based on solid facts and a culture of care. The *Initiative for a European Public Space* (IEPS) supports the development of a digital infrastructure and a media landscape which re-constitute the citizen at the centre. This is of fundamental value for democracy in Europe.

1. Networked European Media

Within IEPS, we supported the development of a network of free, independent and inclusive media actors across Europe intending to elevate the European public space, by testing different collaboration models, bringing the European perspective into the spotlight. The learnings of these combined models will be the basis for the development of a pilot European media platform, which will be instrumental to make the case for major public investments in the European media space.

ZEMOS98 developed together with *Culture of Solidarity Fund* grantees, such as *Hostwriter*, *Eurozine* and *Voxeurop* the blueprint for a media platform aggregating curated content produced by a diverse network of large and small media organisations. It will reveal a multi-layered and complex landscape of events and news, but also perspectives and approaches to themes composed by an inclusive and diverse group of content creators.

Good Conversations further developed their concept *Europe Talks*, an initiative supported by a large network of media organisations across Europe. *Europe Talks* is challenging polarisation and fostering solidarity by matching together people of different political views for a one-on-one conversation. In 2021, the *Europe Talks* software was adapted for an asynchronous and continuous matching process, instead of an annual, one-day event. The network of media partners has been expanded and diversified. In the *Europe Talks* event over ten thousand people participated and through the extensive media coverage, *Europe Talks* reached out to millions of Europeans.

Are We Europe developed *Collective*, a European distribution model for newsletters on a diversity of topics. As a result of the project *Summer of Solidarity*, that ECF supported in 2020, a cross national, diversity-driven network of curators and creators emerged. Collective curates the best under reported stories from that network, adding a personal touch. The Collective Creator Database features over 450 creators, which have millions of followers (accumulated). Collective has over 15.000 original subscribers.

At the *MediActivism European Policy Forum* in Brussels outcomes and learnings of the above mentioned initiatives were discussed and various stakeholders decided to lead by example and committed to the idea to develop a pilot for a European media platform.

2. Digital European Public Spaces

Europe is facing real challenges in coping with market-driven and mainly non-European online platforms on which dis-/and misinformation and nationalistic tendencies easily grow and threaten democracy. Within IEPS, ECF supports the development of a European digital public space, built on democratic values and public digital infrastructures. These infrastructures will promote more sovereign societies and individuals through the democratisation of access, transparency and accountability, while shared standards and interoperability will allow knowledge and culture to flow, helping people to connect.

Towards a common internet is a conference held in March, to help build digital public spaces and plead for more cooperation between democratic states in regulating technology. Organiser is our project partner Waag who developed the conference in partnership with us. During the conference, ECF Director André Wilkens made a plea for shared European public spaces. Connected to this plea, an open call was announced in our *Culture of Solidarity Fund*, inviting media-activists to collaborate on co-creative solutions for our internet. Take a look at all the video recordings and recaps of the conference on our website.

Together with Waag we also initiated a series of in-depth conversations and research entitled *Digital European Public Spaces* (DEPS) to define the public values that are at stake in the current digital environment. The research builds a powerful coalition of developers, researchers, advocates and policymakers; it devises prototypes of key building blocks for an alternative digital infrastructure; and constructs a digital city in Amsterdam, which is replicable in other European cities. ECF joined this programme to help reclaim the internet for the common good. Over the course of 2021, so-called design labs were organised with stakeholders from different sectors and interests

In the fourth round of the *Culture of Solidarity Fund* we supported the capacity of several partners of the Coalition for *Shared Digital European Public Sphere* (SDEPS), such as the Cultural Broadcasting Archive, Public Spaces, European Digital Rights Initiative, Project for Democratic Union, Commons Network and Open Future. At the *MediActivism European Policy Forum* in Brussels outcomes and learnings of the above-mentioned initiatives were discussed. The forum provided a space for movement building and the formulation of policy objectives, which will be used for the development of an advocacy strategy for digital European public space.

Physical Spaces for Public Debate

Safe cultural spaces where people can meet physically and exchange ideas are crucial in (post)-Covid times. Together with a consortium of partner foundations, ECF is investing in a programme for safe cultural community spaces. All across Europe, citizens of all backgrounds and cultures are organising their communities. They create spaces where culture can strengthen social ties and helps to imagine alternative ways of living and engaging with others in understanding, trust and peace. ECF connects these spaces and thus helps to build a crucial infrastructure for a cultural movement that can reclaim European democracy.

VAHA

Co-funded by ECF, **VAHA** ('oasis' in Turkish) is a two-year programme for cultural spaces of public discussion and free dialogue in Turkey and Europe. It strongly builds on previous ECF work and programme communities in the region and answers ongoing and increasing challenges for independent voices and autonomously working cultural spaces in Turkey and around Europe.

In March, the very first **VAHA** Thematic Workshop and Network Meeting took place on the theme of Community & Audience Development. The online meeting lasted for two days and brought together up to 25 people.

The 16 **VAHA** hubs came together twice to wrap up the first phase of the programme in June 2021, and for a second time to kick-off phase 2 in July 2021. Six collaboration ideas between local hubs were selected and will be implemented until September 2022. A dedicated programme website presenting the 48 participating organisations and their collaborations has been launched in early autumn 2021.

VAHA hubs came together in Çıralı, Antalya from 11-15 November 2021 for the first time in person since the start of the programme. During a Scale-up Meeting, the participants from 13 **VAHA** hubs developed and fine-tuned their international and regional cross-border collaboration projects with the support of VAHA coordination team and hubs' local contacts, and explored new ways of collaboration and peer-to-peer exchanges.

Civitates

ECF is part of Civitates, a philanthropic initiative and multi-funder consortium for democracy and solidarity in Europe. It supports vibrant and open civic, digital and journalistic spaces in Europe against a trend of polarisation and shrinking civic spaces.

Cities of Change

The European Cultural Foundation is the coordinator of two multi-annual programmes co-funded by the EU that connect dozens of European cities and their actors in culture and media: MediActivism and Cultural and Creative Spaces and Cities.

MediActivism

The European Cultural Foundation has been active in supporting young media activists across Europe for more than a decade. ‘*MediActivism* – courageous young citizens test new ways to reclaim their cities’ set out to develop, test and spread the practices of media activism among young people around Europe. The project shifted young people from being passive consumers of media to being ‘media activists’ capable of persuading, organising and taking their concerns into the public sphere. It connected local bottom-up media practices and approached the issue of ‘Right to the City’ from a European perspective.

As coordinator of the project, ECF worked together with six local hubs: Fanzingo (Botkyrka/Evaluation), Les Têtes de l’Art (Marseille/Methodologies), Zemos98 (Seville/Communication), Krytyka Polityczna (Warsaw/Publications) and Kurziv (Zagreb/Policy & Quality Assurance). In the final two years three organisations from Turin (Radio Banda Larga, YEPP Italian and Visionary Days) came together to form a sixth hub. The project was co-funded by the *Erasmus+* programme of the European Commission, and the participation of the Turin hub was supported by Compagnia di San Paolo.

A *European Hackcamp* was organised by ZEMOS98 in Seville, but opened from a studio in East London. We used the methodology of Talkaoke – something in between Karaoke and a Talk Show – to present five cases in which activists and/or citizens claim their right to the city. From developing a more

sustainable form of tourism in post-Covid Seville to protecting the famous Zakole wetlands near Warsaw from aggressive city expansion driven by neo-liberal incentives by creating awareness of the intrinsic values of nature both for humans as well as the planet overall. And the cultural activist movement in Zagreb told about their fifteen year-long efforts to reclaim the city for the common good, which resulted in a landslide victory in the local elections a couple of weeks ago, replacing the clientelistic system that was in place since the end of the wars in the nineties.

In six *Local Policy Fora* the above-mentioned cases were presented to local policymakers. These fora give visibility to the causes the local media activists were addressing, created sustainable connections between activists and public authorities and helped formulating the method of *MediActivism*.

This method of activism that puts the distribution of information at the centre of achieving social and political goals, was described in *Feel, Show, Change. The MediActivism Guide to Claiming a Right to your City*. The guidebook gives a better understanding of what media activism can be and provides insight of how to practise it.

The *European Policy Forum* (16-17 November) gathered journalists, policymakers and concerned citizens to explore policy approaches to creating the kind of inclusive and sustainable public space media activists need and work for. In collaboration with SDEPS (Shared Digital European Public Sphere) the forum contained private and public dialogues with representatives of DG Connect, as well as Members of the European Parliament and their staff. Drawing on this work and the *MediActivism* practices, ECF is now launching a New Initiative for European Public Space which will continue the dialogue with EU policymakers.

The publication *Our City, Our Home, Eleven Essays Against the Forces of Displacement in European Cities* is an example of how a topic can be approached from a European perspective in a bottom-up way. The collection of essays was produced by a diverse group of researchers and activists across Europe. It revolves around some of the main aspects *MediActivism* has focused on in the last three years: the right to the city, segregation in the public space, the post-Covid city, touristification, and housing, among others.

Experience Europe

Experience Europe is our programme cluster geared towards providing citizens and cultural professionals from different European countries and beyond with direct people-to-people contacts. It aims at growing a European sense of belonging and building on long-term cultural and educational exchange of people and common practices. Whilst still feeling the travel restrictions most keenly we continued to build on the basic value of our work around people-to-people contacts and exchanges.

Under the strand ‘citizens experiences’ we continued working with libraries from across Europe and consolidated our cooperation with the OBA, Amsterdam Public Libraries, further. Under the strand ‘professional cultural experiences’ we continued our work on Tandem, the cross-border collaboration programme, and co-developed ongoing activities of the EU Cultural Relations Platform. This year we have started implementing i-Portunus Houses, a pilot programme that leads towards the EU’s future large-scale travel support scheme for artists, cultural workers and art residencies.

Our work in this programmatic area has again been heavily affected by the coronavirus crisis as physical cross-border mobility and cultural exchange has remained almost impossible to plan with continued travel restrictions providing physical people-to-people contacts and digital networking encounters could only partially replace making real-live European experiences elsewhere.

Citizens’ Experience

ECF supports citizens’ exchanges across borders, through experiences in safe and cultural environments in order to promote understanding and learning beyond national, regional and sectoral borders.

1. Libraries for Europe

If we are to find solidarity, there must be safe spaces where people can come together and build understanding. Libraries, with their connections to communities and to municipalities and local governments, are such spaces. Recognisable to all, they provide access to trusted information and knowledge that is needed now more than ever.

Amsterdam Public Libraries (OBA)

As of 2020, driven by the common interest in the contemporary and future meaning of a public space, ECF and the Amsterdam Public Libraries (OBA) committed to work together in further consolidating and strengthening Amsterdam's position as a European cultural and learning hub (both offline and digital).

In February 2021, together with the OBA, and in collaboration with Public Libraries 2030 and Democratic Society, we kicked off the pilot edition of *The Europe Challenge* – an annual programme that offers funding and support to libraries and communities to explore how we can meet, live together and work in the Europe of today. The 2021 pilot invited seven libraries from across Europe to address the question: How do different communities around Europe contribute to the building of public spaces and engage in democratic conversations.

Generation Europe+

Together with Stiftung Mercator, ECF has started to support the scaling of a successful European educational youth engagement network that has been developed by the Internationales Bildungs- und Begegnungswerk (IBB) in Dortmund (IBB). Generation Europe – The Academy is the continuation and multiplication of a previous multi-annual programme that offers young Europeans (aged 15-25) without any previous European experience a new impulse for public engagement. Alongside some start-up co-financing of this large-scale project, ECF also provided methodological advice for workshop design, regional European network contacts and advocacy expertise on EU policy level.

Cultural Professional Experience

ECF also supports a variety of exchanges and learning experiences for cultural professionals who act as local initiators and multipliers in European cultural relations.

1. Tandem Regions of Solidarity

Tandem is a cultural collaboration programme that strengthens civil society in Europe and its neighbouring regions. Throughout the year, a number of online gatherings and communication actions celebrated the ten-year anniversary of *Tandem*. Since its inception in 2011, *Tandem* has supported long-term collaborations, knowledge development and networking opportunities for more than 500 cultural managers from over 200 cities across three continents. *Tandem* is an initiative of the European Cultural Foundation and MitOst e.V and is carried out together with many local collaboration partners as it is based on the power of inter-connecting deeply rooted local practices across Europe.

Tandem Regions of Solidarity is the newest addition to the programme family this year. Since the pandemic, many local arts and cultural organisations in the regions of Europe struggle with a complex new set of demands and expectations from their communities, while they have to renew and adapt for securing their own organisational and financial survival. Especially artists and cultural professionals who work in the more ‘peripheral’ regions of Europe need to revitalise ‘sustain-abilities’ and resilience of their local working environments.

Tandem Regions of Solidarity supports them in (re)joining forces, exchanging knowledge across borders, innovating their capacities ‘inter-regionally’ and reconnecting them in a spirit of local, regional and pan-European solidarity. The two-year programme reinforces collaboration capacities for responding to the enormous post-Corona community challenges in eight European regions. It strongly builds on the alumni network and experiences from three successful rounds of the previous *Tandem Europe Social Innovation* programmes but has been substantially updated and methodologically redesigned.

Until 2022, three professionals of local community organisations from each of the regions of Lombardy (IT), Southern Athens (GR), Friesland (NL), West Yorkshire (UK), Thüringau (CH), several regions in rural Bulgaria as well as Northern and Central Portugal will follow the *Tandem Regions* learning and exchange experience, resulting in a prototype that can be applied in multiple European regions facing many societal and economical challenges.

2. EU Cultural Relations Platform

ECF has long been advocating for more culture in EU external relations. Together with a partner consortium of European cultural institutes, networks and universities, we continue to contribute to the *EU Cultural Relations Platform* (CRP), a hybrid EU exchange and learning platform that supports cultural professionals from around Europe and the world to re-engage in global cultural relations during and after the pandemic.

Until 2023, ECF will continue to provide advice for this EU Platform, especially for the design of a series of annual exchange and learning experiences for leading cultural professionals from around the world and Europe. ECF's input of expertise and professional connections supports the Platform in its aims to promote and facilitate sustainable cultural exchanges between Europeans and citizens from countries all over the world.

3. i-Portunus Houses

i-Portunus Houses has been designed for the third phase of the i-Portunus pilot scheme of the European Union that shall lead towards a future Erasmus-style programme for cultural professionals in the 41 *Creative Europe* programme countries. Co-funded by the European Commission, i-Portunus was dedicated to testing diverse mobility models for artists, creators and cultural professionals in these countries.

i-Portunus Houses has been developed and co-financed together with MitOst (Berlin) and the Kultura Nova Foundation (Zagreb), ECF's long term partners in European cultural mobility programming. The pilot puts focus on host organisations of mobilities, underlining their crucial role in providing efficient residencies and working environments for creative individuals who visit them for short and long-term residencies.

The pandemic has delayed the travel and arts residency related elements of this project once more. A series of online programme information sessions and so-called market square events nevertheless managed to bring together almost 80 host organisations with almost 400 artists and creative professionals who will realise their physical travels and residencies after the lockdowns lift in 2022. As a preliminary answer to the lockdowns *i-Portunus Houses* also developed new digital exchange and networking formats that allowed selected artists and

creatives to engage in new hybrid forms of cultural mobilities and collaborations.

While ECF partner MitOst was acting as coordination office for programme applicants and participants, the i-Portunus team at the Kultura Nova Foundation was responsible for developing a critical study on the future of cultural mobility in Europe that will accompany the supported mobilities and will provide policy proposals for a new permanent cultural mobility scheme that will be included in the EU's *Creative Europe* programme 2022-2027

Imagine Europe

With the Imagine Europe cluster we design, develop and fund a portfolio of initiatives that tell the stories of Europe and imagine a better Europe. This includes The European Pavilion, The Europe Challenge and storytelling platforms on Europe. They support the development and presentation of fresh ideas that matter for envisioning Europe. Cultural and artistic initiatives that challenge the future of Europe are supported in our Imagine programmes. These tell the stories of Europe, its heritage, present and its future in the most compelling ways using all forms of cultural expression.

We also support compelling ideas that are outside of the box and have the potential to scale up. In this extraordinary year, we continued the Culture of Solidarity Fund, as a flexible grants scheme that supports cross-border European cultural initiatives in times of uncertainty and lockdown.

1. The Europe Challenge

Local questions are often shared questions in a European context. With *The Europe Challenge*, we support the prototyping of solutions to some of the most pressing challenges we face across Europe. We believe our greatest challenges can only be solved when people – across Europe – lead the way in solidarity. Libraries, with their connections to communities and to municipalities and local governments, are safe spaces where people can come together to work on identifying challenges and solutions.

The Europe Challenge is an annual programme that offers funding and support to libraries and communities to explore how we can meet, live together and

work in the Europe of today. *The Europe Challenge* is engaging a growing network of libraries across Europe: from public libraries, to mobile, rural, school, university, and prison libraries, municipal and national libraries. The network involves citizens and communities with great ideas in shaping solutions for our future that can be shared with other Europeans and replicated in other contexts. In connecting local communities and knowledge, it offers a European experience and imagines a better Europe.

In the pilot edition, launched in February 2021 and running from 9 May 2021 to 9 May 2022, seven libraries and their communities took part: the Amsterdam Public Libraries (OBA) (NL), DOKK1 Aarhus Public Library (DK), Central and Regional Library Berlin (DE), De Krook Ghent (B), Kranj City Library (SLO), Tordi Rubio i Balaguer Library (Sant Boi, ES) and Valmiera Public Library (LV). The programme was developed in collaboration with partners: Amsterdam Public Libraries (OBA), Democratic Society and Public Libraries 2030.

Stories of Europe

1. The European Pavilion

The European Pavilion is a multi-annual programme by the European Cultural Foundation developed in collaboration with partners from across Europe. It is implemented with support of the Camargo Foundation, the Kultura Nova Foundation and the Fondazione CRT.

With *The European Pavilion* programme, our ambition is to facilitate a space that encourages experimentation and reflection on Europe. In collaboration with our partners, we set out to support a European network of arts and cultural organisations that, through artistic and educational projects, offers the opportunity to explore ideas for a future Europe. Together we want to question and visualise what Europe is and, above all, what it can become tomorrow. We want to tell stories, imagine, and speculate. And what better place than a pavilion for such a venture? The pavilion, which has taken on many functions and forms throughout history, has the quality to remain open to new definitions and meanings – much like Europe itself.

In the autumn of 2021, the first generation of European Pavilions was announced: ARNA (Sweden), Brunnenpassage (Austria), L'Internationale (a confederation of seven European museums), State of Concept (Greece), and Studio Rizoma (Italy).

In the winter of 2020 and spring of 2021, we produced and released *The European Pavilion Podcast*, an audio documentary consisting of a series of dialogues with various personalities, carving out the questions that our common future raises. The Podcast serves as a research tool and a resource to open up a debate and prepare the launch of the many pavilions.

2. Platforms for European Storytelling

The history of Europe is made up of many stories told by many people with varying perspectives. These stories are essential for developing sentiments, a sense of belonging, but also for challenging the status quo where it seems insufficient. ECF supports and collaborates with the International Documentary Festival Amsterdam (IDFA) in their programming envisaging Europe in all its facets and in all its complexity.

Life in Europe was the title of a programme initiated in 2019 by us within the International Documentary Festival, which presents each year a selection of documentary films that encourages the public debate on Europe. In 2021, the well-curated *Life in Europe* programme – taking place online – consisted of a series of 16 movies touching on various aspects of European life. Every year ECF hosts a DocTalk at the festival; a longer interview with directors and protagonists in their documentary. This year we discussed and applauded Kacper Lisowski's *Judges under Pressure*.

3. Culture of Solidarity Fund

The Culture of Solidarity Fund (CoS) is our flexible instrument to support cross-border European initiatives in times of uncertainty and cultural lockdown. While it was initially established as a temporary response to the coronavirus crisis, its relevance has not diminished, or rather, it has increased. With the experience and lessons of the start-up phase, we improved and retooled the fund, improved its impact, quality and representation by focusing on certain

themes and geographies, as well as further developing the multiple partnership model.

As the coronavirus pandemic continues to unfold, cultural emergence responses and initiatives that develop new visions on European solidarity after the pandemic remain crucial also in 2021. ECF therefore continued the Fund with providing kick-start funding of another EUR 1 million from our annual working budget. Especially calls with a regional focus, as realised in the third round end 2020 together with Fondazione CRT and Fondazione CRC, showed the potential of local and regional work with a European dimension and it offered the opportunity for more strategic partnerships for targeted grant-making with other European foundations. One fine example of these is the *CareStoriesWalks*, a network of ‘cultural walks’ between Italy, Poland and Greece reinforcing the sense of local and European belonging through theatre workshops which we published at the beginning of the year.

Our fourth *Culture of Solidarity* call in March was inspired by and complementary to our own ongoing programme work for strengthening a European public space. In this first thematically specific edition of the Fund, we were looking for projects that contribute to inclusive and democratic European media platforms, networks and infrastructure during and after the Corona infodemic (too much false or misleading information in digital and physical environments during the pandemic). Europe needs a shared public space where people practice a culture of solidarity and combat the ongoing infodemic. Out of the 500 expressions of interest received in the Call, we invited 60 candidates to submit a full application. East Left Media Outlet; Solidarity in Translation; the El Diario Journalism Festival are a number of them.

Over the summer, we launched the fifth round of the Fund. We did this together with the German Federal Agency for Civic Education, which joined our efforts for realising another thematically specific and interregional edition. This new Call extended the theme of promoting a European culture of solidarity towards the support of new collaborative cultural initiatives in (peripheral) regions of transformation in Eastern Germany and other European regions that are similarly affected by deindustrialization, population decline, social dissolution, failing public infrastructure and ecological crisis. Highlights from among the projects supported in this round include ZKU Berlin – Knowledgescapes of Urban Utopias; the Ljubljana Pride Association – Act.Create.Transform are a number of them.

In November, ECF won the Causales European Cultural Investor of the Year 2021 award. Our Culture of Solidarity Fund, established during the Corona crisis, was the impetus for the decision of the 40-member expert jury. The ceremony took place in Tresor in Berlin. We consider the award as a public endorsement of all the work done by grantees of the Culture of Solidarity Fund. More than hundred grantees, all over Europe, are working on their projects showcasing that collaborating across borders is our future.

These grantees embody – each in their own way – the vital importance of culture for Europe. Together they reflect on which way we design our futures. The award supports our aim to make culture a structural and systemic part of any European agenda of change. Our Fund may not be very big with 1.6 million euro, but our message is: We Europeans need each other.

That is exactly why the Culture of Solidarity Fund from the beginning onwards has been a pulled fund. Bundeszentrale für Politische Bildung, Stiftung Mercator, Fondazione CRT, Fondazione CRC, Allianz Kulturstiftung für Europa, Open Society Foundation and Beisheim Stiftung already contributed to it.

Public Policy

We work with policymakers to develop good ideas into policies and to secure sustainable public funding for them. Our advocacy is making a vital contribution to leveraging the impact of our initiatives in the areas where we work. Our work on Public Policy plays a key role in the achievement of our mission and our programmatic goals, and in positioning ECF as a unique European foundation.

We aim at influencing EU, national and local public policies as to the place and weight they give to culture, reflected in priorities and resource allocations. We also advocate for philanthropy to become more engaged in European affairs and develop philanthropy with a European purpose. Within ECF's strategy, Public Policy is dedicated to: campaigning for culture on the EU agenda, notably in the context of Europe's resilience and recovery from Covid-19; advocating for a public-philanthropic partnership for Europe; investing in research on the European sentiment; and maintaining and developing strategic partnerships, including with the City of Amsterdam.

In 2021, our Advocacy efforts focused on raising greater public awareness and policy recognition of the pivotal role of culture for Europe. The stakes for Europe and for culture were high: Covid-19 impacted Europe and its cultural and creative ecosystem immensely with high losses of revenues, more than either the tourism and automotive industries. Positioning culture in the EU's largest investment fund ever, the Recovery and Resilience Facility, and in Member States national strategies was an essential advocacy task. We also continued advocacy for culture with respect to the EU's seven-year budget and programme cycle (2021-2027).

Leverage EU Policy and Funding

The EU has been massively hit by the coronavirus crisis and the aftershocks are far from being over. After an initially slow response, it has agreed on a historic recovery package to get Europe back on its feet and rebuild hope and trust. In 2021, Next Generation EU and the EU's seven-year budget (2021-2027) kicked-off a new horizon for Europe. ECF advocated both on the content and funding level for A Cultural Deal for Europe serving our strategic goals, achieving leverage of our initiatives, and contributing to the Future of Europe process.

Throughout the year, we campaigned with our strategic partner Culture Action Europe (CAE) for the doubling of the budget of the EU's core culture programme Creative Europe (#Double4Culture). Working closely with the European Parliament and cultural stakeholders across Europe, the campaign contributed to raising Creative Europe from €1.4 billion to € 2.8 billion in the EU's next 7-year budget (2021-2027).

Together with Culture Action Europe (CAE) and Europa Nostra, in its capacity as coordinator of the European Heritage Alliance, we stepped up the A Cultural Deal for Europe campaign. The campaign calls for culture to be mainstreamed across relevant EU policy fields such as climate, digital, cohesion, health, foreign relations, and more, and for 2% of the €750 billion EU's Recovery and Resilience Fund to be dedicated to culture (amounting to approx. €15 billion). A call to action was launched in two phases of a [#CulturalDealEU](#) campaign.

The Cultural Deal Annual Policy Conversation 2021 "Make culture central in the EU's green and sustainable future" (originally scheduled for November 2021 but due to Covid postponed to 1 February 2022) brought together high-level policymakers, cultural operators, creative industry specialists and European cultural networks to discuss culture's role in the green transition and Europe's sustainable future. Speakers included: European Commission President Ursula von der Leyen, European Commissioner for Cohesion and Reforms Elisa Ferreira, European Commissioner for Innovation, Research, Culture, Education and Youth Mariya Gabriel, French Minister of Culture Roselyne Bachelot, Members of the European Parliament and the leaders of the Cultural Deal coalition, Sneška Quaadvlieg-Mihailovic, Secretary General, Europa Nostra, André Wilkens, Director, European Cultural Foundation and Tere Badia, Secretary General, Culture Action Europe.

As a contribution to the *A Cultural Deal for Europe* annual debate, we commissioned Gijs de Vries, Senior Visiting Fellow at the London LSE and former Dutch MEP the policy paper *To Make the Silos Dance. Mainstreaming Culture into EU Policy*. The paper argues: *There are three main reasons why culture matters to Europe and why it should figure more prominently in EU policy. Culture matters intrinsically; it is central to a life worth living. Culture also matters as a central component of our societies and economies. Finally, culture matters existentially, as a principal but vulnerable dimension of our common identity as Europeans.*

In the Netherlands, ECF worked together with the Dutch Europa-platform urging the Dutch government to dedicate at least two percent of the Recovery and Resilience Fund to culture. These demands were reiterated at the Dutch *Paradisodebat* on the post-pandemic future of the Dutch cultural and creative sectors.

ECF has joined a European consortium of 50+ partners preparing a competitive bid for building Europe's first and only Knowledge and Innovation Community (KIC) on Culture and Creative Industries to be launched in 2023. If successful, ECF will be part of an innovation ecosystem and a 15-year public-private partnership providing investment in culture and the creative economy and strengthening further our relationship with the City of Amsterdam, which is also a partner of the KIC on CCIs.

Philanthropy with a European Purpose

The foundation sector in Europe amounts to a €60 billion budget annually but there are only a handful of European foundations and some national foundations that engage in European cooperation and exchange. Philanthropy for Europe remains a niche. Building on the results of the study *Imagine European Philanthropy* that we commissioned together with Allianz Kulturstiftung to Wider Sense (December 2020), we explored potential areas for collaboration with the EU, notably in the context of the *New European Bauhaus* initiative. This resulted, among others, in ECF becoming the lead partner in a NEB LAB working group on philanthropy. The group is designed to propose innovative collaboration and funding models involving the EU and philanthropic partners. Next to the EU, we also advocated within the European philanthropy sector for a new venture combining public, private and philanthropic resources to serve as rapid and effective response mechanism to European challenges such as the pandemic. This new European instrument will make a significant contribution to *A Cultural Deal for Europe* and the preparedness of Europe to future crises.

Strategic Partnerships

We are a member of several foundation and civil society platforms that share our vision and values and advocate together with us for a Europe that is democratic, open, inclusive, culture-based and future-oriented. This includes among others the Philanthropy Europe Association – Philea (former European Foundation Centre merged with Dafne and rebranded as Philea) and some of its thematic networks (e.g., Arts & Culture), European Policy Centre (EPC), Culture Action Europe (CAE), Europa Nostra, NEF’s Civitates, and EDGE (Engaged Donors for Global Equity) Funders Alliance. Dutch memberships include Goeden Doelen Nederland and FIN (Vereniging van Fondsen in Nederland).

ECF will continue its strong partnership with CAE and Europa Nostra to further *A Cultural Deal for Europe*, and to continue shaping EU cultural and other relevant programmes, including the next Council Work Plan for Culture (2023-2026).

As a European foundation with a firm base in Amsterdam, we are eager to see initiatives, organisations and individuals join our cause in advancing Europe through culture, across Europe but also in Amsterdam. We will further collaborate with the City of Amsterdam and other locally based key players to co-develop a vibrant European space and invest in innovative and inspiring organisations that ignite crossovers between culture, politics, academia and creative economy. We continued our programmatic collaboration with the OBA (Amsterdam Public Libraries) that seeks to further consolidate and strengthen Amsterdam’s position as a European cultural, innovation and learning hub (both offline and digital).

Communications

Communication forms an essential part of ECF's work. It creates awareness, recognition and trust, and serves our strategy, mission and programmatic goals.

Corporate and visual communication

We offer an accessible voice in the discourse on culture in building a better Europe. We speak a language that is understood by a wider audience across all our communication tools and platforms, avoiding jargon and buzzwords. To improve accessibility and reach out to new audiences we use (digital) possibilities for multilingual texts wherever possible. The communications department offers narratives for change by using storytelling techniques in written text, interviews, video, animation and podcasts. Our purpose: to advance our programmatic goals, highlighting our work and increasing awareness of the foundation overall.

Digital presence

In 2021 – during the second year of the lockdowns and work from home offices – we developed various ways to upgrade our online work. One of them was, of course, more focus on storytelling via our various social media platforms, using them less as announcement tools but more as a means to attract readers to in depth essays, stories and interviews on our website.

Secondly, we invested time and budget in professionalising our online events; mostly organized in zoom. As for many other organisations zoom proved to be a blessing in disguise: we were able to attract more international audiences to our events.

Thirdly, our Community Conversations evolved from so-called webcare sessions – really just online meetings for grantees and friends to share fears, anxieties and plans in a safe space which we started when the Covid pandemic took us all by surprise. After a series of those get togethers we decided on some thematic angles that helped us to focus conversations between participants. From then onwards we also invited some 'keynote' speakers to kick-off

conversations. For example, in February, *In Europe Schools* presented their transnational exchange project in which students of secondary school film their recent history, researching and comparing difficult histories, climate change and migration. In March, we focused on the need for a new way of European storytelling, in cooperation with ACES (Amsterdam Centre for European Studies). Professor Luizsa Bialasiewicz and awarded Spanish photographer Carlos Spottorno hosted the second conversation on European history in the making. But we also hosted sessions with grantees only, as in June, when we were joined by Busy Being Black and Blackcoffee pdc for a conversation on *Black queer stories*.

Europe Day

Another element in our digital presence was the digital celebration of Europe Day on 9 May when we launched The Europe Challenge and our Annual Magazine Common Ground.

Europe Day echoes our co-founder Robert Schuman's appeal of May 9, 1950: "Europe will not be made all at once, or according to a single plan. It will be built through concrete achievements which first create a de facto solidarity." ECF organised the celebrations online highlighting and celebrating all the various pan European efforts and achievements to make our continent a more inclusive, more democratic, more culturally aware, better place to live, as a contemporary translation of Schuman's appeal.

Through a dedicated website featuring live-streamed discussions on the day itself and content from European change makers, presentations of artists, thinkers and doers, amongst our grantees and friends. In the run up to the day, we attracted almost 1200 viewers for the live stream on 9 May (this includes the website, Facebook and YouTube) and a total of 3,654 webpage views from 1,300 webpage users. With the hashtag #EuropeDay21 we reached over 20K people on Facebook, 26K on twitter and just over 5K on Instagram.

Highlights of the day were the launch of our new programme The Europe Challenge, involving libraries and their communities all across Europe, a session on the future of mobility in the cultural sector, and the screening of various documentaries from the IDFA / ECF pathway *Life in Europe*.

Website and social media

We developed our website to showcase our programmes, share, curate content about all our Culture of Solidarity grantees and partners, and contribute to the discourse on the role of culture in Europe. In 2021, the ECF website attracted over 90K users in 130K sessions.

Our Instagram account attracted 1K new followers to grow to 10,000, on Facebook we had well over 2K new page likes, growing to 46, 376 likes and we acquired over 45K likes over the year. Our twitter account grew with over 600 followers to 10,700 followers.

Campaigns

Next to the Europe Day campaign, the launch of The Europe Pavilion and the communication campaigns for the Cultural Deal for Europe, The Europe Challenge and the new editions of the Culture of Solidarity Fund stood out in 2021.

The campaigns resulted in numerous [online] publications in media as: Parliament Magazine, Philea website, Eurozine, Dutch daily Trouw, to name but a few.

The open letter showing support for the Cultural Deal for Europe campaign was endorsed by more than 1000 Europeans. A dedicated call to Dutch policy makers to secure a pivotal role for culture in the post-pandemic recovery – published in the run-up to the Dutch annual policy conversation on culture – was endorsed by more than twenty-five prolific cultural figures.

Publications

In 2021, we were co-responsible for a series of publications.

The Creative Cities and Cultural Spaces project resulted in the publication of the book ‘Commons. Between Dreams and Reality’, which is available as a free download.

ECF commissioned Gijs de Vries to write the report *To make the silos dance* on why culture matters to Europe and why it should figure more prominently in EU policy. The report is available as a [free download](#).

Within ECF's MediActivism programme the publication 'Feel show change' collected activist approaches to claiming a right to your city. The report is available as a [free download](#).

Common Ground features as a free downloadable Annual Magazine and touches on a wide range of topics. It contains essays on the future of our continent post-Covid, ECF programmes, four photo essays by acclaimed photographers are included, reports from Belarus, illustrations and interviews with Europeans that dare to make a difference. Common Ground was produced in the midst of the Covid pandemic, but focused on how to build out of it. What did we learn and what can we do better? In all articles, the value of culture and the interconnectedness of culture with politics, the need and the will to change came to the fore.

Podcasts

Our podcast, the *ECF Stories Club* – a publicly accessible series in which our staff discuss books, films or other cultural products with relevance for our work – met three times over the past year. In February, we discussed *The Shadow King* by Maaza Mengiste; *Burning the Books* by Richard Ovenden was discussed in March; and in May, we featured *Europe28: Writing by Women on the Future of Europe*.

The European Pavilion podcast – which started in 2020 – came to an end in 2021, featuring [five more episodes](#).

Videos

In 2021, we uploaded a series of portraits of The European Pavilion partners on our [YouTube channel](#), which also feature on the dedicated site theeuropeanpavilion.eu.

Awards

Our Culture of Solidarity fund won the Causales ‘Cultural investor of the Year’ award. We firstly see the award as a public endorsement of all the work done by grantees of the fund. More than hundred grantees, all over Europe, are working on their projects therewith showcasing that collaborating across borders is our future.

Media partnerships

In order to get our stories out beyond the circle of ECF followers and develop a regular and sustained presence in the European media, we have established media partnerships with a number of media outlets including the photographic project *The Europeans*, Zeit Online for their project *Europe Talks*, Eurozine, the Calvert Journal for their special issue on Poland and their film festival and the Dutch Podcastfestival for their European track.

Operations

Our Operations department (Human Resources, IT and Facilities) ensures that the Foundation has the appropriate structures, human resources as well as technical and office facilities to function professionally and be able to achieve our goals. In 2021, the focus was on carefully balancing continuity and flexibility in the context of the ongoing pandemic.

HR

In 2021, we benchmarked and renewed our salary system based on the average salaries of the charitable sector in the Netherlands (Goede Doelen Nederland). Related to that, we developed new generic role descriptions comprising of the following three categories: Supporting specialists, Knowledge workers and Management, and formulated organisation-wide as well as function-specific values and competences. This system is operational as of 1 January 2022.

At year-end 2021, we had 26 employees with a full-time equivalent staff of 22.74. The turnover was 18% with 4 leavers throughout the year. We were happy to welcome two new colleagues, three interns and one writing fellow throughout the year. The sickness absence rate at ECF was 5.37%, with an increase reflecting the national trend. We monitored and addressed our staff health through individual and collective measures facilitated by our company doctor as well as organising online stretch and posture exercises for all staff encouraging physical movement.

Diversity and inclusion

We developed and launched our new inclusive internship programme, offering internships to students of any post-secondary school education, from vocational to academic. Internships will take place in a hybrid form – online and at the office – allowing for more flexibility in terms of country of origin. For interns outside the Netherlands, we will organise and fund incidental visits to the office in Amsterdam.

For recruitment of senior staff, we invited the agency *Colourful People* to carry out an inclusive and thorough search. We also invested in awareness as regards language and outreach.

Integrity policy

Building on earlier work in reviewing and updating our Integrity Policy and Code of Conduct (published 2020), we conducted an integrity scan of our grants policies procedures. Possible areas of risk were discussed and addressed with senior staff. In addition, we held integrity awareness sessions with members of staff as well as management. Through our grievance report structure, we received one integrity grievance concerning external communication, which was addressed and acted upon.

Hybrid office, facilities & IT

We worked towards a longer-term hybrid office policy, enabling both flexibility and continuity where possible. The pandemic situation permitting, our staff is welcome again at the office while at the same time permitted to work remotely for 50% of their monthly working hours.

We invested in advanced video call equipment for our main meeting room, enabling us to hold ‘hybrid’ meetings, and refurbished a number of smaller meeting rooms for 1:1 online meetings.

In terms of digital safety, we introduced 2-factor-authentication for our web-based tools.

Carbon offsetting

While travelling as much as possible by train, there does remain some unavoidable air travel, in particular when meeting online is not possible and where train travel would exceed more than 8 hours. Therefore, as of 2021, we started carbon offsetting our (limited) air travel. The CO2 emissions were

11,849 kg and compensated with an amount of EUR 659 (including an additional development donation) through Atmosfair, a certified non-profit organisation that supports climate mitigation technologies in developing countries. Atmosfair plans, finances and carries out these projects with local partners according to the rules and procedures outlined in the Clean Development Mechanism (CDM) of the Kyoto Protocol and the “Gold Standard” established by the international environmental NGO community. We also carbon offsetted the 2021 energy consumption of our premises (15,320 CO₂), resulting in a payment of EUR 245.13 to Trees for All. Trees for All is a recognised non-profit foundation with a CBF certificate and ANBI status, planting forests in the Netherlands and abroad. In 2022, we will expand carbon offsetting towards train, car and hotel emissions.

Governance (as at 31 December 2021)

The European Cultural Foundation makes a clear distinction between supervision and management but is very keen on a close cooperation and common deliberation on the main issues and challenges faced by ECF. The Supervisory Board oversees the proper execution of the Director's managerial responsibilities.

The Supervisory Board's main responsibilities can be summarised as follows:

- deciding upon and evaluating the Foundation's strategy as drafted by the Director, and prioritising its activities
- evaluating the efficient use of the Foundation's resources (approval of budget and Annual Report)
- appointing the Foundation's Director, members of the Supervisory Board and the President.

In this context, three Supervisory Board meetings took place respectively on 19 March, 28 May and 26 November 2021. All three meetings took place online. The topics discussed focused on a number of items, including:

- approval of 2020 Financial report and Annual report
- approval of the updated 2021 budget and work plan 2021
- decisions on Supervisory Board development and Audit Committee membership
- relationship with Prins Bernhard Cultuurfonds
- exchange with the staff representation group ('Personeelsvertegenwoordiging'/'PVT')
- self-evaluation by the Supervisory Board

Supervisory Board development

The Supervisory Board continued the discussions on membership development. Following the departure of Chair Christophe de Voogd end of 2020, Rien van

Gendt served as Chair Ad Interim at the request of the Supervisory Board, while the Vice Chair position became vacant. During the November meeting, Gerry Salole accepted the role of Chair, and Rien van Gendt returned to the Vice Chair position. Over the year, we welcomed one new member to the Supervisory Board: on 26 November, Catarina Vaz Pinto (PT) joined our ranks and we said our fond farewells to Mária Hlavajová in May and to Isabel Alçada in November. We are most indebted to them for their inspired work and insights.

For 2022, the Supervisory Board is committed to continue the search for three further new members, including for the replacement of the Vice Chair position after Rien van Gendt completes his third term on the ECF Supervisory Board in March 2022.

Relationship with Prins Bernhard Cultuurfonds

Thanks to a long-standing agreement between the Prins Bernhard Cultuurfonds (PBCF) and the European Cultural Foundation, PBCF provides the Foundation with 25% of its non-earmarked lottery income. Following the evaluation of the long-standing practice of cross-representation on each other's Supervisory Boards by a Supervisory Board member acting as advisor, the two organisations have agreed to discontinue this practice. This meant that we had to say goodbye to James Kennedy who had represented the PBCF in the Supervisory Board meetings. We owe him much for the insights that he brought to the table. The quarterly exchanges on the level of Directors continue unaffected.

Major events

In the second year of the pandemic, some of the online and hybrid activities returned to physical: we were happy to gradually welcome staff back to the office. The Culture for Solidarity Fund continues to be our agile tool to provide support when and where most needed and we welcomed new co-funding partners who helped increase the Fund's outreach.

Exchange with the Staff Representation Group (‘Personeelsvertegenwoordiging’/‘PVT’)

At the 26 November online meeting the Supervisory Board met with the Foundation’s staff representation group in a confidential and informal exchange. These annual exchanges have been established to help the Supervisory Board gain further insights into the organisation’s workings and staff.

Gerry Salole, Chair of Supervisory Board, European Cultural Foundation

Declaration of Responsibility (as at 31 December 2021)

The European Cultural Foundation is an independent foundation working for a united Europe. We promote a European sentiment through culture, by developing and supporting initiatives that let us share, experience and imagine Europe.

Status

The European Cultural Foundation has the ANBI ‘Algemeen Nut Beogende Instelling’ status, meaning that the Foundation’s objective is to improve the wellbeing of the public. This status comes with tax benefits for donors. Since our objectives are fully related to culture more specifically, we were granted Cultural ANBI status. This status comes with additional tax benefits for donors. The European Cultural Foundation itself is not tax exempt.

Our RSIN ‘Rechtspersonen en Samenwerkingsverbanden Informatienummer’ / Fiscal number is 002967327. Our Chamber of Commerce number is 41199699.

Articles of Association

The European Cultural Foundation adheres to its Articles of Association and its By-Laws. The current versions of both were approved by our Supervisory

Board, on 17 December 2015 and 28 May 2019 respectively. We assess on a regular basis whether these documents are still accurate; if necessary, they are reviewed and updated. The latest version of our Articles of Association is deposited at the Dutch Chamber of Commerce.

Income

The European Cultural Foundation has three main sources of income:

1. Income from the lotteries

Through a long-standing agreement with the Prins Bernhard Cultuurfonds (PCBF), renewed most recently on 2 February 2012, the Foundation receives 25% of the Prins Bernhard Cultuurfonds' non-earmarked lottery income.

2. Fundraised income

The European Cultural Foundation receives funding from commercial, non-profit and government institutions. We actively pursue these opportunities. Not all income received from the above-mentioned parties is considered fundraised income, according to the definition of the CBF.

3. Income from ECF's securities portfolio

The European Cultural Foundation has a reserve in the form of a securities portfolio, which is managed externally by an asset manager. Our ambition is to cover our overhead expenses with the income generated through this securities portfolio. Furthermore, this securities portfolio acts as a buffer, allowing the organisation to continue operating for a limited period in case there is a drop in income.

Codes, rules and guidelines

Since July 2014, the European Cultural Foundation has held the CBF (Central Bureau for Fundraising organisations) seal of approval for fundraising organisations. Since then, as a member of Goede Doelen Nederland, the European Cultural Foundation complies with all the necessary codes and guidelines, including the annually reviewed code for good governance (issued by the FIN, the Dutch Alliance of Philanthropic organisations) and the 'Erkenningspaspoort Goede Doelen'.

In line with this, we adhere to the following three principles:

1. A clear separation between the roles of:
 - a. Management (ECF's Director)
 - b. Supervision (ECF's Supervisory Board)
 - c. Execution (ECF's employees)
2. Optimising interaction with stakeholders
3. Optimising effectiveness and efficiency of expenditure

1. A clear separation between management, supervision and execution

The European Cultural Foundation makes a clear distinction between management, supervision and execution. The Supervisory Board appoints and supervises the Director. While the Director has managerial responsibilities, the Supervisory Board oversees the proper execution of these responsibilities. The Foundation's employees carry out the day-to-day tasks.

a. Management

Director's responsibilities

The European Cultural Foundation's management consists of one Director. The Director is responsible for representing the Foundation, and carries the responsibility for overall management, strategic development, execution of the Foundation's strategy, management of the Foundation's resources (human and monetary) and fund development.

At least twice a year, the Director formally reports to the Supervisory Board in a meeting in which the Director, the Supervisory Board and the Head of Finance are present. More regular and informal contact is maintained outside these meetings with individual members of the Supervisory Board.

Every week, the Director meets with the Management Team (MT) to discuss strategic matters as well as to monitor activities and operational matters. The MT consists of the Head of Finance, Heads of Programmes, Head of Public Policy, Head of Communications and Head of Operations.

Director

André Wilkens is Director of the European Cultural Foundation. He was appointed on 15 November 2018. Prior to this appointment, André Wilkens held the following positions:

- Managing Director, Die Offene Gesellschaft, Berlin (2016-2018)
- Director, Mercator Centre Berlin (2009-2015)
- Head of Strategic Communications, UNHCR, Geneva (2009)
- Director, Open Society Institute, Brussels (2003-2009)
- Director, Ogilvy & Mather communications agency, Brussels (1999-2003)
- Programme Manager, European Training Foundation, Turin (1994-1999)
- Programme Manager, European Cooperation Fund, Brussels (1992-1994)
- Assistant to MEP, European Parliament, Brussels (1991).

Additional roles:

- Board Chair, Tactical Tech, Berlin (Member since 2015, Chair since 2017)
- Founder / Board Member, Initiative Offene Gesellschaft (since 2016 / since 2018)
- Founding member, European Council of Foreign Relations (since 2007).
- Member of the Advisory Board, Co/Rizom (since 2018)

b. Supervision

Supervisory Board's responsibilities

The Supervisory Board is the European Cultural Foundation's supervisory body. The Foundation's Articles of Association and By-Laws state the roles and responsibilities of the Supervisory Board members. The main responsibilities can be summarised as follows:

- deciding upon and evaluating the Foundation's strategy, and prioritising the Foundation's activities
- evaluating the efficient use of the Foundation's resources (approval of budget and annual reporting of the Director and the Chair of the Supervisory Board in the ECF Annual Report)
- appointing the Foundation's Director, members of the Supervisory Board and the President.

Supervisory Board as of 31 December 2021

At the end of this chapter, we have published a list of additional roles and responsibilities per Supervisory Board member.

- HRH Princess Laurentien of the Netherlands (President)
- Gerry Salole (Chair as from 26 November)
- Rien van Gendt (Vice-Chair as from 26 November; Chair ad interim 1 January – 26 November)
- Rob Defares (Treasurer)
- Isabel Alçada (until 26 November)
- Florian Dautil
- Mária Hlavajová (until 28 May)
- Andrea Silvestri
- Catarina Vaz Pinto (as from 26 November)
- Rana Zincir Celal
- James Kennedy (Advisor representing Prins Bernhard Cultuurfonds; until 19 March 2021*)

* During their 19 March 2021 meeting the ECF Supervisory Board approved the proposal of PBCF in which the respective (Supervisory) Boards of ECF and the Cultuurfonds agree to end the practice of mutual representation on each other's (Supervisory) Boards.

Recruitment

Appointments for the European Cultural Foundation's Supervisory Board are based on a number of core criteria, including expertise, international perspective, cultural, regional and demographic diversity, and a European network.

Additional functions should be of value and should not lead to conflicting interests. In case of upcoming vacancies, candidates are put forward by the Supervisory Board, the Director and the staff of the Foundation from their extended network.

Evaluation

In 2014, the Supervisory Board started self-evaluating, in line with #8 of Article 11 of the Foundation's Articles of Association. The annual evaluation is performed based on a list of questions that were developed by the Supervisory Board members.

Remuneration

The Supervisory Board members do not receive remuneration for their work for the European Cultural Foundation. However, expenses incurred for travel etc. are reimbursed on request.

The Executive Committee and the Audit Committee

The Executive Committee consists of the Chair, Vice-Chair, Treasurer and Director. The Executive Committee meets at least twice a year. Their mandate is to help prepare Supervisory Board meetings, lay the groundwork for making decisions and offer guidance to the Director.

The Audit Committee consists of the Director, the Vice-Chair, the Treasurer and one more Supervisory Board member.

President

The President holds an extraordinary, non-voting membership of the Supervisory Board and plays an active and visible role as specified in the Articles of Association.

Since 12 May 2007, the President of the European Cultural Foundation is HRH Princess Laurentien of the Netherlands.

Term

The term for Supervisory Board members is four years, renewable once (maximum 8 years), and for Executive Committee members renewable twice (maximum 12 years).

Conflicts of interest

Supervisory Board members are required to inform the Chair immediately of any activities, contracts / grants, etc. that could lead to a potential conflict of interest. Potential conflicts of interest are declared at each Supervisory Board meeting. The Chair will decide whether the Supervisory Board member will need to leave the room during particular discussions, or while a decision is being taken on a specific matter.

In addition, all Supervisory Board members are required to sign a statement to declare their endorsement of the principles stated at the beginning of this document and confirming that there is no conflict of interest between the responsibilities they fulfil for the European Cultural Foundation and other relationships / positions they hold. This declaration is a requirement of the CBF seal of approval.

c. Execution

Employees' responsibilities

The MT, together with their respective teams, is responsible for the

implementation of the Foundation's strategy, as well as development and execution of the Foundation's activities, procedures and policies.

2. Optimising interaction with stakeholders

Donors

The European Cultural Foundation's largest donor is the Prins Bernhard Cultuurfonds (PBCF). Every quarter there is a meeting between the two organisations' directors and key staff to discuss strategy, operational activities and possibilities for exchange of information / knowledge, and collaboration. The European Cultural Foundation receives funding from a number of different sources. An overview of all amounts received per source is included in the Foundation's annual accounts.

The European Cultural Foundation maintains good and regular contact with all of these organisations at a director and programme level.

Grantees

The recipients of European Cultural Foundation grants represent the future of culture in the regions where the Foundation is active. They are the Foundation's eyes and ears in the regions. The European Cultural Foundation maintains contact with a large number of grantees through its network and social media channels. Additionally, some grantees become partners or participants in other ECF projects, become contributors to one of our publications, or (successfully) apply for another grant.

Partner organisations

In order to make optimum use of each other's resources (staff, expertise, network, etc.), the European Cultural Foundation often undertakes projects with one or multiple NGO project partners. For all strategic partnerships, please see the Activities Report and Financial Report.

For all partnerships, a contract is agreed and evaluation mechanisms are in place. An example of such an evaluation mechanism is the narrative and financial reporting done at the end of a project before the receipt of the final instalment of the Foundation's monetary contribution.

The European Cultural Foundation's communication with our project partners is ongoing, with regular updates about new developments and potential for collaboration. This contact is at different levels, with directors meeting more formally, and programme managers having more frequent and informal contact, concerning the contents and progress of a project.

Employee Representation Group

The Foundation has a 'Personeelsvertegenwoordiging' (PVT; employee representation group), consisting of three to four elected staff members. The PVT has quarterly meetings with the Director and Head of Operations. Its aim is to ensure discussion and dialogue between management and staff on a regular basis.

The Supervisory Board has agreed to meet with the PVT each year, in principle during the meeting near mid/year, to reflect on the past year.

3. Optimising effectiveness and efficiency of expenditure

The European Cultural Foundation manages a wide range of instruments to monitor the effectiveness and efficiency of our expenditure. The most important instruments we use are mentioned below.

Monthly reporting

A monthly financial report is generated automatically through a link with our accounting system (Exact). Budget managers have real-time, online access to these reports.

Quarterly reporting

Each quarter, a management report is compiled providing ample information about the Foundation's income, expenditure and balances. It provides analysis against budgets and explanation on project expenditure. Additionally, it gives an estimate of the expected expenditure for the full year. The quarterly reports are shared with the Treasurer, the Supervisory Board, all ECF budget holders and the management of the Prins Bernhard Cultuurfonds.

Contractual obligations

Each quarter an overview is compiled representing all outstanding, contractual obligations at the end of the quarter. These are shared with all budget managers for monitoring and analysis.

Ad hoc reporting

On a regular basis ad hoc reports (internal and external) are generated for specific projects or cost codes in order for the managers of these projects / the Finance team to analyse expenditure.

Reporting guidelines

There are clear reporting guidelines for grantees, which are agreed in the contracts. Only upon receipt of a report, that shows the agreed progress and results will ECF transfer the next or final instalment. Grantees and partners are required to comply with the European Cultural Foundation's guidelines on reporting and crediting the Foundation.

If a grantee / partner has not completed the project within the agreed timeframe, the Foundation could decide to cancel the outstanding grant. The total amount of cancelled grants is reflected in the ECF annual accounts.

Authorisation of contracts

The Director signs all contracts and the Treasurer signs all contracts over €20,000.

External auditor – Annual Accounts

In 2021, ECF went through a call for auditors. We evaluated four proposals and chose a new team from Dubois & Co, a firm with whom we had worked in previous years. After performing the annual audit, the external auditor reports its findings to the Audit Committee. Dubois & Co prepares the auditor's report and a management letter, which reflects their findings. Both documents are shared with the Supervisory Board, which approves the Annual Report. Following ECF's Articles of Association, the Supervisory Board approves the auditor that audits the annual accounts. The European Cultural Foundation follows guideline RJ650 for the reporting of their annual accounts. As fundraising organisation the ECF needs to adhere to these guidelines.

External auditor – Donor reporting

Several organisations that fund the European Cultural Foundation's activities require an audit report as part of the final project report. We work with several auditors to comply with these requirements.

The choice of auditor depends on the specific requirements of the funder, location of the project, location of the main partner (generally responsible for administration) and expertise of the auditor. Budget is a consideration, but the quality of the audit exceeds this consideration in importance.

Evaluation, potential threats and outlook

How we evaluate

Impact assessment and evaluation is an important aspect of the European Cultural Foundation's work and is carried out by our Research & Development team. We apply a variety of internal and external evaluation methods and tools

to our programmes to take stock of our achievements, to learn from our experience, to share knowledge within and beyond the European Cultural Foundation, and to inform our decisions and strategies going forward. Evaluation results demonstrate to our donors and partners how we achieve our goals.

Before launching any new programme, we conduct feasibility studies, mappings or exploratory reflection groups with stakeholders from the countries and topical areas we plan to address. The aim of these activities is to analyse the contexts and identify the needs and the urgencies on which we focus the future programme's objectives and activities. Ongoing monitoring and evaluation help us to adjust our multiannual programmes and tools towards stronger outcomes and impact.

Potential threats

The European Cultural Foundation has undertaken a comprehensive risk analysis of all the aspects of the strategy, organisation, operations and governance to define risk areas and put in place mechanisms for mitigating any risk.

- A fast-changing European and international context urges us to engage proactively with the current political, cultural climate and realities in order to achieve our goals.
- The second year of the Covid pandemic required a high degree of flexibility and resilience. ECF has established a Covid task force and hybrid office framework to deal with the challenges on a day-to-day level.
- There are proposed changes to Dutch regulation on cross-border finance that could affect ECF's European funding practice.
- The Ministry of Justice of the Netherlands has decided to permit new online gambling. This may affect the level of lottery funding received by the European Cultural Foundation in the future.
- The European Cultural Foundation is highly dependent on a single source of income that can vary annually. Through the Prins Bernhard Cultuurfonds, we are guaranteed to receive income from Vriendenloterij (formerly BankGiroLoterij) and Nederlandse Loterij Organisatie until 2032, when the

contract between the Prins Bernhard Cultuurfonds and ECF will expire. The ECF has a strategy to diversify and Europeanise income sources over the next years to decrease dependency on the Dutch lottery income and upscale ECF financial resources.

- The Foundation continuously monitors and addresses security matters concerning data protection and avoiding data loss. We have an Information Security Policy in place to guarantee the availability, integrity and confidentiality of critical information systems. We comply with the General Data Protection Regulation (GDPR).
- The political environment in which the European Cultural Foundation operates could lead to safety, communications and reputational concerns for individuals related to our work. We have a Travel Safety Policy and a Crisis Management Team.
- We have reviewed and expanded our Integrity Policy, including a Code of Conduct and a grievance procedure to prevent and accurately address unwanted behaviour and integrity violations.

Supervisory Board 2021 - List of paid and honorary positions

President

HRH Princess Laurentien of the Netherlands

- Number 5 Foundation, The Hague, Co-founder and Director
- Missing Chapter Foundation, The Hague, Founder and Director
- Reading Unlimited (Vereniging Onbeperkt Lezen), The Hague, Patron
- Dutch Language Society (Genootschap Onze Taal), The Hague, Patron
- Centre of Expertise inclusive education (Expertisecentrum inclusief onderwijs), 's Hertogenbosch, The Netherlands, Patron
- Association of Public Libraries, The Hague, Honorary Chair
- Fauna & Flora International, Cambridge, UK, President
- European Climate Foundation, The Hague, Fellow

- Rewilding Europe, Nijmegen, The Netherlands, Special Advisor
- Yidan Prize Foundation, Hong Kong, Member of the Board of Directors
- FutureNL, The Hague, Member of the Board

Chair (as from 26 November)

Gerry Salole (UK)

- Barilla Centre for Food and Nutrition, Parma, Member of the Advisory Board
- Impact Trust, Cape Town and London, Board Member of both SA and UK Board
- Center of African Philanthropy and Social Investment, Business School, University of the Witwatersrand, Johannesburg, Member of the Advisory Board
- Africa Europe Foundation, Friends of Europe, Brussels, Strategic Advisor
- AfroBarometer, Pan African based in Accra, Ghana, Member of the International Advisory Council

Vice-Chair (as from 26 November; Chair ad interim from 1 January until 26 November)

Rien van Gendt (NL)

- Rockefeller Philanthropy Advisors, New York, Board Member
- IMC Weekend School, Amsterdam, Board Member
- EDLI Foundation, The Hague, Board Member
- Sofam BV, Hilversum, The Netherlands, Chairman Board
- PTTEP BV, Amsterdam, Managing Director
- Calouste Gulbenkian Foundation, Lisbon, Senior Advisor, Board
- Netherlands Dance Theatre, The Hague, Advisor
- Buzinezz Club, Rotterdam, Advisor

- Movies that Matter, Amsterdam, Advisor
- Rockefeller Philanthropy Advisors Europe, London, Board Member
- Double Dividend, Amsterdam, Advisor
- Compagnia di San Paolo, Torino, Advisor
- LTInvestors / Unito, Torino, Member Scientific Committee
- Collegio Carlo Alberto, Torino, Lecturer

Treasurer

Rob Defares (NL)

- IMC B.V., Amsterdam, CEO
- Rijksakademie van Beeldende Kunsten, Amsterdam, Supervisory Board Member
- Trust Fund Rijksakademie, Amsterdam, Supervisory Board Chair
- IMC Weekendschool, Amsterdam, Board of Trustees Chair
- Association Proprietary Traders, Gouda, The Netherlands, Board Member
- MCA Museum of Contemporary Art Chicago, Chicago, Board of Trustees Member
- Hartwig Medical Foundation, Amsterdam, Supervisory Board Member
- Stichting Hartwig Foundation, The Hague, Supervisory Board Member
- Manifesta, Amsterdam, Supervisory Board Member

Members

Isabel Alçada (PT) (until 26 November)

- Counsellor to the President of the Portuguese Republic
- Foundation Belmiro de Azevedo/EDULOG, Porto, Advisory Board Member

- Comissão Nacional para a Saúde Materna, da Criança e do Adolescente / Board for Maternal, Child and Adolescent Health, Health Ministry, Lisbon, Member of the National Advisory

Florian Dautil (F)

- Bayes Impact, Paris, Chief Operating Officer
- City of Saint-Ouen, Saint-Ouen, City Councillor
- Ecole Polytechnique, Palaiseau, France, Lecturer
- La Miel, Saint-Denis, France, Board Member

Mária Hlavajová (SK) (until 28 May)

- BAK, basis voor actuele kunst, Utrecht, General and Artistic Director
- Bergen Assembly, Bergen, Advisory Board Member
- Piotr Piotrowski Center for Research on East-Central European Art, Poznan, Poland, Advisory Board Member
- IMAGINART, Imagining Institutions Otherwise: Art, Politics, and State Transformation, University of Amsterdam, Amsterdam, Advisory Board

Andrea Silvestri (IT)

- University of Torino, Italy, General Director
- COINFO – Italian Universities Consortium for Education – Scientific Committee
- CODAU – Italian Association of University Directors – Education Commission

Catarina Vaz Pinto (PT) (as from 26 November)

- Porpav – Associação da Calçada Portuguesa/ Association of the Portuguese Stone Pavement, Lisbon, President of the Direction
- Fundação de Arte Moderna e Contemporânea – Coleção Berardo / Modern and Contemporary Art Foundation, Berardo Collection, Lisbon, Member of the Board

- Fundação Ricardo do Espírito Santo Silva / Ricardo do Espírito Santo Silva Foundation, Lisbon, Member of the Board of Trustees

Rana Cinzir Celal (TR/CY)

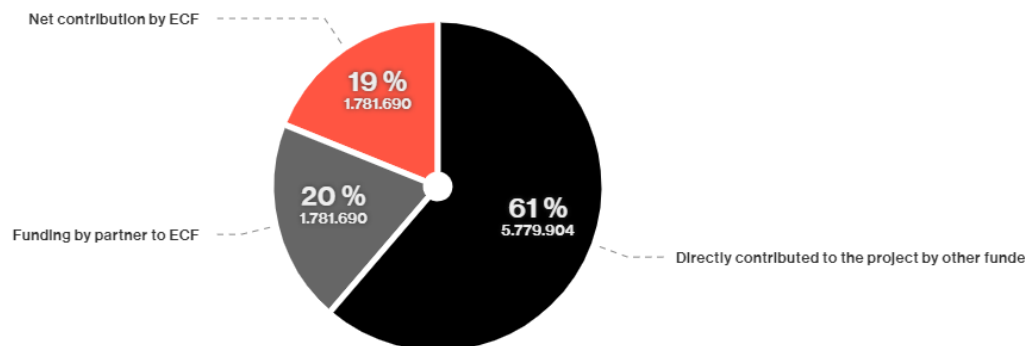
- London School of Economics and Political Science, London, Visiting Fellow, International Inequalities Institute
- Robert Bosch Stiftung GmbH, Stuttgart, Advisor (Inequality)
- The Ubele Initiative, London, Advisor
- The Social Investment Business, London, Equality Impact Investing Project
- Greenpeace Mediterranean, Istanbul, Board Member
- Greenpeace International, Amsterdam, Trustee

Advisor representing Prins Bernhard Cultuurfonds (until 19 March 2021) James Kennedy (NL)

- Professor of Modern Dutch History, Utrecht University College, Universiteit Utrecht – Dean
- Board of the Netherlands America Commission for Educational Exchange, Amsterdam – Member
- Museum Catharijneconvent, Utrecht – Member, Board of Trustees
- Amsterdams Universiteitsfonds, University of Amsterdam, Amsterdam – Member
- Prins Bernhard Cultuurfonds, Amsterdam – Board Member
- Academie voor Wetgeving, The Hague – Instructor
- KADOC Documentation and Research Center on religion culture and society, Leuven University, Leuven, BE – Editorial Board
- Stichting voor Christelijke Filosofie / Foundation for Christian Philosophy, Amersfoort, NL– Curatorium Member
- Commissie Paleis op de Dam / Commission Royal Palace Amsterdam, Amsterdam – Member

Financial Figures at a Glance

LEVERAGE



For every euro contributed by ECF the partners have contributed an average amount of 4,29 euro.

Grants & Partnerships 2021

ECF awards grants, either through open calls or through targeted partnerships, in all budget areas. The following overview is presented by ECF programme.

ECF awards grants, either through open calls or through targeted partnerships, in all budget areas. The following overview is presented by ECF programme.

SHARE Europe

European Public Space (IEPS) grants:

Asociacion Cultural Comenzemos Empezemos Zemos98 - ES	60.000
Stichting Are We Europe (Collective) - NL	60.000
Banda Larga Associazione Culturale - IT	19.029
Good Conversations GMBH (Europe Talks) - DE	50.000
Network of European Foundations NEF (Civitates) - BE	50.000
MitOst e.V.(VAHA) - DE	150.000

MediActivism Erasmus+ partnerships:

Asociacion Cultural Comenzemos Empezemos Zemos98 - ES	30.474
Fanzingo - SE	41.133
Kurziv - HRV	22.084
Les Têtes de l'Art - FR	24.380
Stanislaw Brzozowski Association (Krytyka Polityczna) - PL	48.959

Service fees paid to the cultural/creative sector

76.580

Total SHARE:

632.638

EXPERIENCE Europe

Generation Europe Next:

Internationales Bildungs und Begegnungswerk e.V. - DE	100.000
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Tandem Cultural Collaboration Programmes:

Tandem Regions of Solidarity 2020-2022	360.000
Tandem Community Development 2018-2021	30.000
Tandem Western Balkans 2019-2021	13.000

(All Tandem amounts above are referring to - one or more installments of the - partnership contracts with partner MitOst e.V. in Berlin who is responsible for the implementation of various Tandem streams since the programme's inception in 2011. MitOst e.V. receives project funding (incl. financial contributions raised by ECF from external sources) that includes re-granting to Tandem participants.)

i-Portunus Platform grants:

MitOst e.V. - DE	666.996
Kultura Nova Foundation - HRV	47.699

(The i-Portunus Houses pilot scheme is implemented, on behalf of the European Commission, by a consortium of organisations coordinated by the European Cultural Foundation. The i-Portunus Houses consortium involves MitOst e.V., Berlin, as main mobility implementer and the Kultura Nova Foundation, Zagreb, as lead in evaluation and analysis.)

Libraries for Europe

OBA – Openbare Bibliotheek Amsterdam - NL	50.000
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Service fees paid to the cultural/creative sector

26.411

Total EXPERIENCE: 1.294.106

IMAGINE Europe

European Pavilion:

ARNA, Art & Nature (Dinner for Future) - SE	30.000
Studio Rizoma (Europe after Europe) - IT	30.000
L'Internationale (Democracy Pavilion for Europe) - BE	30.000
Brunnenpassage (Storytelling Europe) - AU	30.000
State of Concept Athens (The WASTE/D Pavilion) - GR	30.000
Iniva, Institute of International Visual Arts (The Drift Pavilion) - UK	30.000

The Europe Challenge:

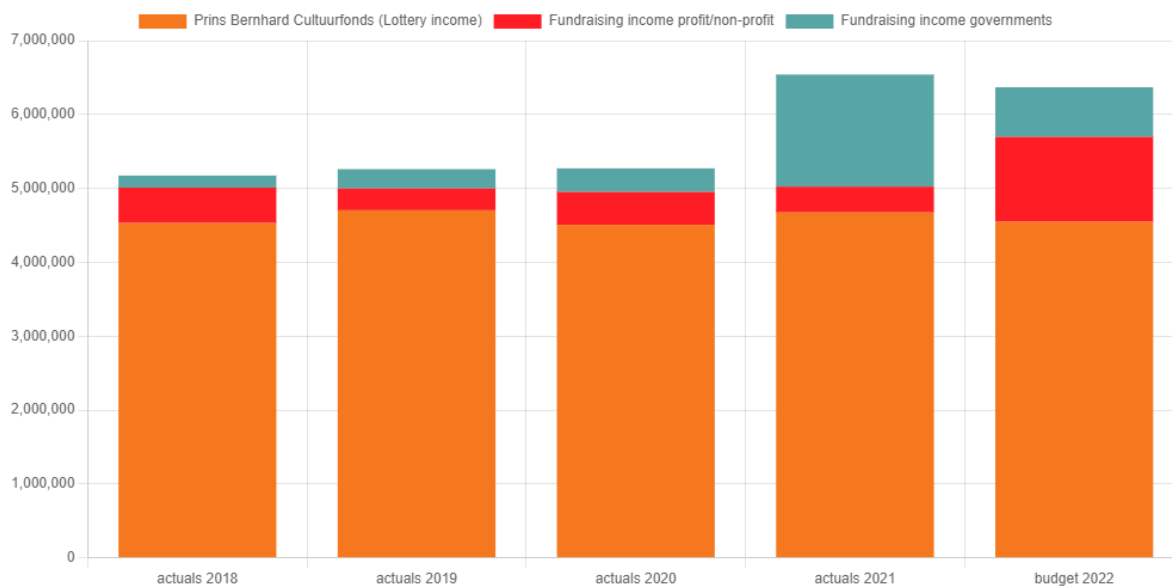
Dokk1 / Aarhus Public Libraries - DK	24.000
Valmiera Library - LV	28.000
Kranj City Library – SLO	26.000
Zentral- und Landesbibliothek Berlin - DE	26.000
Sant Boi Public Library - ES	20.000
Democratic Society (design and implementation of the Europe Challenge)	40.000

Culture of Solidarity Fund:

Forensic Oceanography (CoS 2020 - 3rd round) - UK	39.860
CoS Fund Round 4	847.293
CoS Fund Round 5	847.293

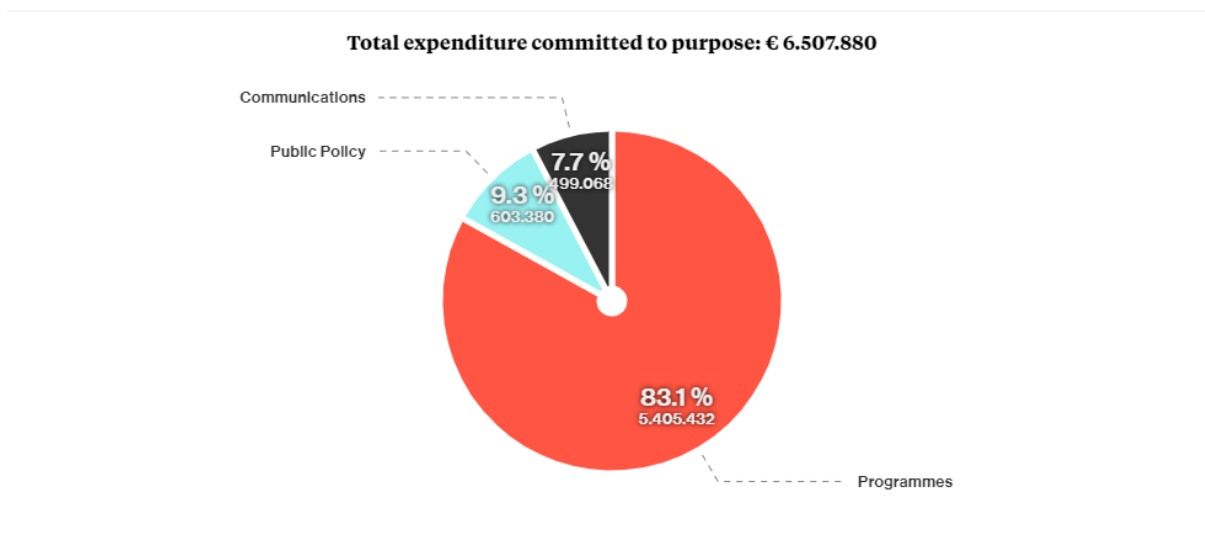
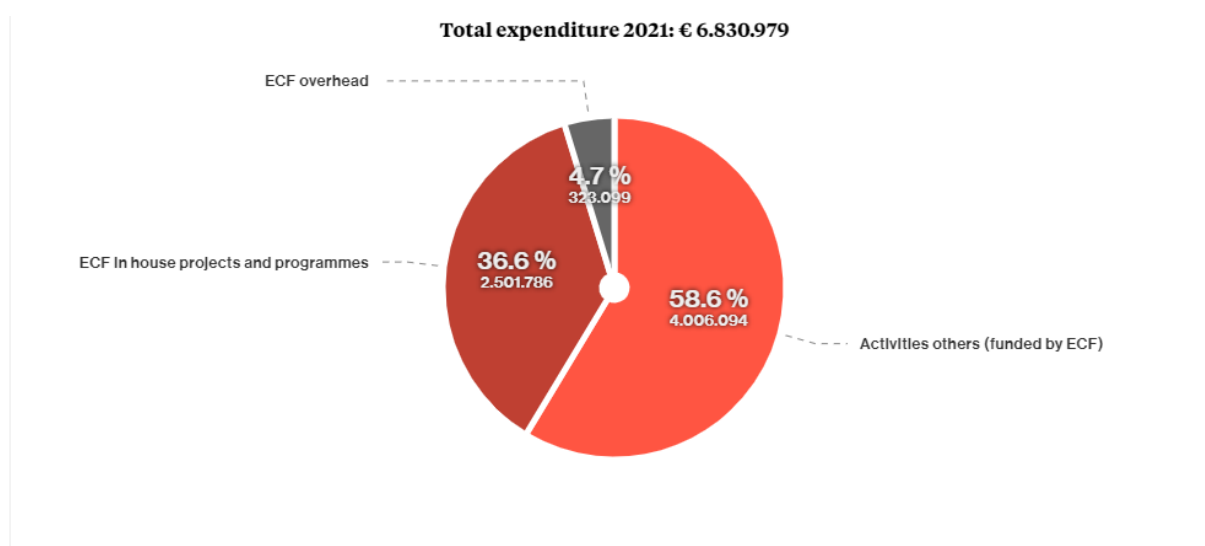
Other related grants	
International Documentary Film Festival Amsterdam, IDFA – NL	50.000
ROG Centre - SLO	30.000
Pavilion of New Belarus - BEL	50.000
Service fees paid to the cultural/creative sector	29.289
Total IMAGINE:	1.853.434
PUBLIC POLICY	
POLICY ADVICE-Leverage EU policy and funding	
IHK Köln Industrie und Handelskammer – DE	30.000
(Innovation Creative Economy - Knowledge and Innovation Community - EU tender preparation)	
A Cultural Deal for Europe	
Culture Action Europe - BE	7.000
Evaluation & Impact Assessment - European Sentiment Compass	
European Council on Foreign Relations Deutschland - DE	48.000
Service fees paid to the cultural/creative sector	8.489
Memberships	35.122
Total PUBLIC POLICY:	128.611
PRESS & MARKETING	
Service fees paid to the cultural/creative sector	84.790
Memberships	13.062
Total PRESS & MARKETING	97.852
TOTAL GRANTS & PARTNERSHIPS:	4.006.641

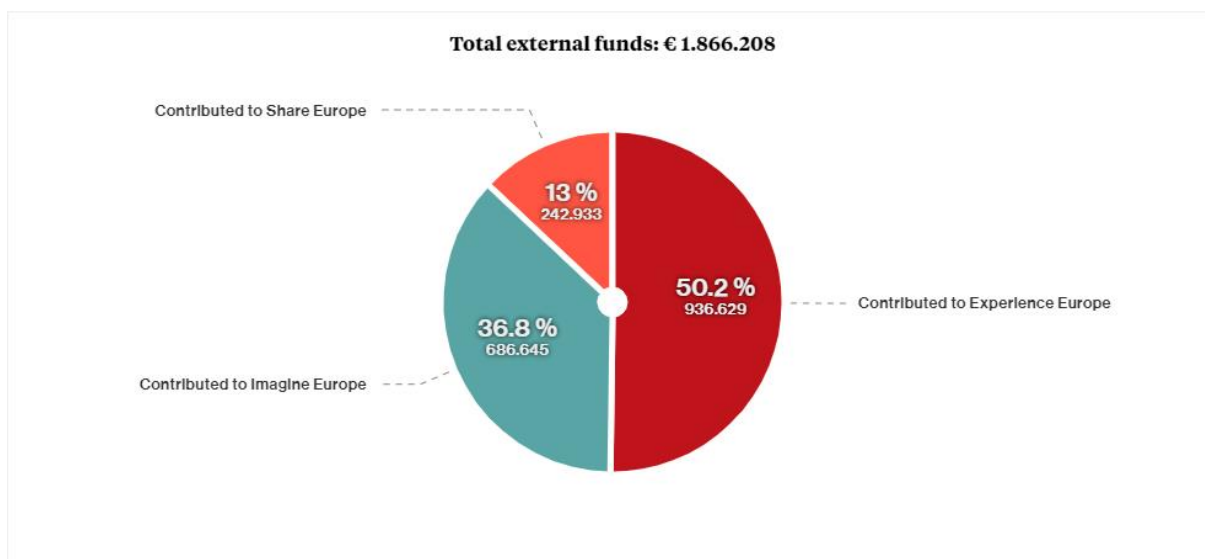
INCOME



INCOME	actuals 2018	actuals 2019	actuals 2020	actuals 2021	budget 2022
• Lottery income (via Prins Bernhard Cultuurfonds)	4.530.474	4.703.823	4.506.676	4.674.204	4.547.561
• Fundraising income profit/non-profit	480.000	294.467	445.451	349.274	1.150.000
• Fundraising income governments	162.938	261.399	318.816	1.516.933	671.313
• Total income fundraising	642.938	555.866	764.267	1.866.208	1.821.313

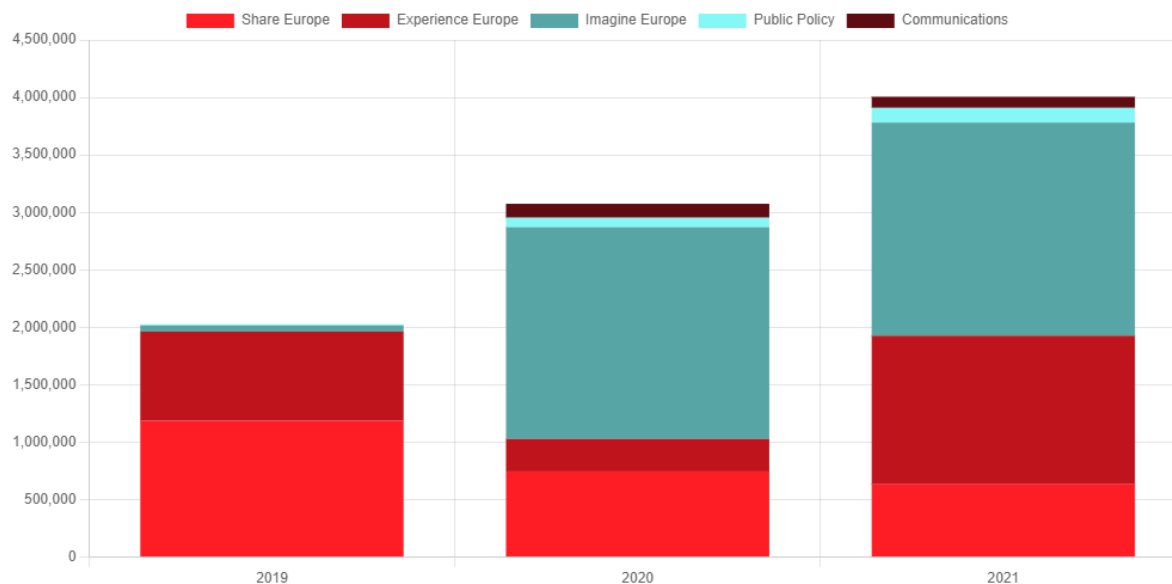
EXPENDITURE 2021





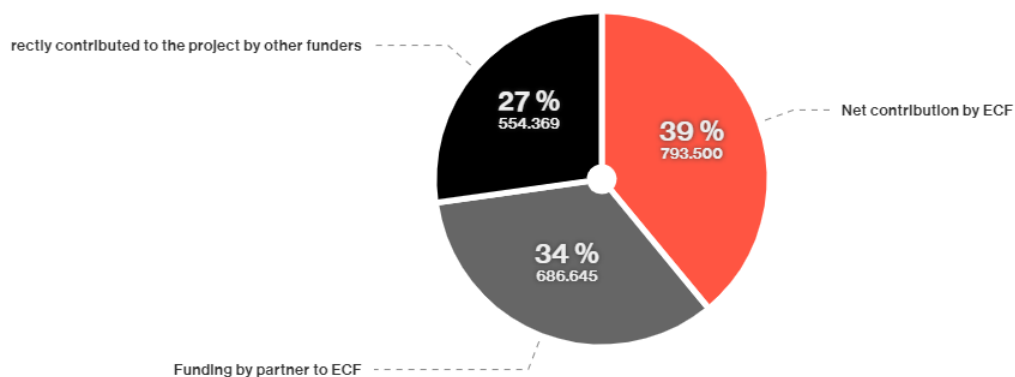
Total expenditure 2021	6.830.979	
Activities others (funded by ECF)	4.006.094	58,6%
ECF in house projects and programmes	2.501.786	36,6%
ECF overhead	323.099	4,7%
Total expenditure committed to purpose	6.507.880	
Programmes	5.405.432	83,1%
Public Policy	603.380	9,3%
Communications	499.068	7,7%
Total external funds	1.866.208	
Contributed to Share Europe	242.933	13,0%
Contributed to Experience Europe	936.629	50,2%
Contributed to Imagine Europe	686.645	36,8%

ACTIVITIES OTHERS (funded by ECF)



	2019	2020	2021
Share Europe	1.186.313	745.436	633.239
Experience Europe	776.537	282.660	1.294.072
Imagine Europe	53.000	1.843.071	1.853.434
Public Policy	10.000	82.187	128.611
Communications	-	120.997	96.739
	2.025.850	3.074.351	4.006.094

LEVERAGE CULTURE OF SOLIDARITY FUND



For every euro contributed by ECF the partners have contributed an average amount of 1,56 euro.

Culture of Solidarity Fund – List of Grants Awarded

Round 4 – Culture of Solidarity in times of an infodemic

- [Artway of thinking: Teen Tribe – Tools for play the contemporaneity](#)
- [Autonomic Co-operative – The Co-operative Cloud: public interest infrastructure](#)
- [Blackcoffee_pdc meets Europe](#)
- [Cultural Broadcasting Archive – Verein zur Förderung digitaler Kommunikation – European Cultural Backbone 2.0](#)
- [elDiario.es: European Journalism Festival, with elDiario.es and The Guardian](#)
- [ELMO – East Left Media Outlet: Building ELMO: Solidarity in Translation in Eastern Europe and Beyond](#)
- [European Digital Rights \(EDRi\) – Stories of resistance and reclaimed futures](#)
- [Eurozine – Levelled voices: a joint European conversation on recovery](#)
- [IrpiMedia: Life is a game](#)
- [Project for Democratic Union: European exit strategy from private platforms to common digital space](#)
- [PublicSpaces Foundation– Librecast – Facilitating Sovereign Media Distribution across Europe](#)
- [Varia: A Traversal Network of Feminist Servers \(ATNOFS\)](#)
- [Voxeurop – ECHO](#)

Round 5 – Cultural grants for regional transformation

- [Europäische Schule Templin – Weimar Triangle Summer Camp](#)
- [EU-Russia Civil Society Forum – Climate Caravans](#)
- [Grüne Liga Osterzgebirge – Preserving Biodiversity](#)
- [Haus des Wandels, Office of Displaced Designers, Oyouun – SOUP3](#)
- [icebauhaus – Space](#)
- [Kultur Aktiv – Digital Summer 2022](#)

- [Ljubljana Pride Association – Act.Create.Transform.](#)
- [Naturschutzstation Osterzgebirge – Crossing borders for the future in Eastern Ore Mountains](#)
- [onEarth Foundation – OASIS-2027](#)
- [Slubfurt – Transbordering Laboratory](#)
- [Tresor Foundation – Next Generation Culture Space](#)
- [ZKU Berlin \[KUNSTrePUBLIK \] – Knowledgescapes of Urban Utopias](#)

Finance

ECF is a hybrid organisation. It has both its own funds and undertakes fundraising as well.

We raise funds from governmental institutions, non-profit organisations and commercial organisations. Currently ECF does not actively pursue fundraising with the general public.

One of our financial aims is to cover our overhead costs * with the income generated through the investment of our own funds. This enables us to dedicate all other funds, as far as possible, to our purposes, which contains ECF's five core activities:

- Share Europe
- Experience Europe
- Imagine Europe
- Public Policy
- Communications

Result and developments 2021

In 2021 ECF continued to invest in a European culture of solidarity with a two-pronged approach: focus and flexibility. The Work Plan 2021 was the second plan within the current 5-year strategic cycle and we believe the overall lines of our strategy, "Challenge 2025" are still very relevant. Some of our strategic goals have been further amplified, like the need for an open and safe European public (digital) space: "Share Europe". The second is the cross border cultural initiative "Experience Europe". The third is the need to "Imagine Europe" and to rebuild a better Europe.

In 2021 ECF increased its budget by €1.1 million compared to the budget of 2020. Due to a higher volume of external funds and the start of delayed activities, ECF increased its budget to €6,806,300 in 2021. An essential part (€1,483,265) was spent on ECF's Culture of Solidarity Fund (CoS Fund) which was funded by ECF and its partner organisations.

During 2021 ECF remained within budget, but still realized a substantial surplus of €1,714,372. This was directly related to the gain of €2,003,730 on the ECF's securities portfolio. Based on the budgeted total income** of €6,806,300, the budget predicted a deficit of €94,699. The actual income** received was €8,545,352. The total expenditure at year-end was €6,830,978, which represented 99% of the budget.

**Overhead costs are here defined as the total of costs of Generating Income and Management and Administration costs.*

***Here Income is including Interest and income from investments.*

Income*

Income in 2021 consisted of lottery funding** through the Prins Bernhard Cultuurfonds (PBCF)***, fundraising (contributions from profit/non-profit- and government sources) and of income on ECF's securities portfolio. ECF's total income in 2021 was €8,545,352 compared to €5,913,724 in 2020. The total income in 2021 was €1,739,052 above the total budgeted income (€6,806,300), which is mainly due to a particularly high return of €2,003,730 on ECF's securities portfolio.

Third-party income

The total third-party income for 2021 was €5,023,477 compared to €4,980,752 in 2020. This amount includes income from the Prins Bernhard Cultuurfonds and other non-profit organisations. It excludes income from governments and Interest and income from investments.

Income from the Prins Bernhard Cultuurfonds for 2021 was €4,674,203 compared to the budgeted amount of €4,535,300.

For 2021, income from the remaining third parties was €349,274 compared to €445,451 in 2020. Income from remaining third parties was €523,726 lower than budgeted, due to the fact that underlying Programme activities did not materialise. The remaining third-party contributions were received from various foundations. All contributions were related to specific project activities. The major donors were Compagnia di San Paolo (€100,000 for the CoS Fund), Fondazione Cariplo (€150,000 for the Tandem Regions project) and Open Society Foundation Europe (€99,645 for the CoS Fund).

Income from government subsidies

Income from various governments in 2021 was €1,516,933 compared to €318,816 in 2020. The budgeted amount was €923,000. This increase was mainly due to a contribution issued by the 'Bundeszentrale für politische Bildung', supporting the ECF Culture of Solidarity Fund, and a substantial amount of €749,900 from the European Commission, which is a contribution for the I-Portunus project.

** Here Income is including Interest and income from investments.*

***In line with RJ650 regulations regarding the recognition of lottery income (received by ECF through Prins Bernhard Cultuurfonds), the recording of income has to be in line with the period in which the actual lottery proceeds were generated. See for additional information note on page 17.*

****On 16th August 2021 the BankGiro Loterij merged with the Vriendenloterij and started to operate under that flag. For ECF the compliance criteria as agreed between ECF and PBCF remain unchanged, and as a result the merger did not affect the contributions from the Vriendenloterij.*

Interest and income from investments

In 2021, the total income on securities and interest was €2,003,730 compared to an income of €613,279 in 2020. At year-end 2021, approximately 51% of ECF's portfolio represented investments in fixed income investments and 49% in equity investments. At 31 December 2021 the portfolio represented a value of € 18,071,555.

This is in line with ECF's 'Statement of Investment Principles', which is a Supervisory Board-approved investment strategy. As a starting point, ECF assumes an investment mix of 52.5% fixed income investments and 47.5% equity investments. In that connection, the Treasurer is permitted to maintain a bandwidth of 20% between both investment categories, i.e. fixed income may vary between 42.5% and 62.5% of the portfolio whereas equities may vary between 37.5% and 57.5% of the portfolio. The investment strategy is reviewed every 3 years. The most recent approval of the Statement has taken place at 26 November 2021.

Since 2011, ECF has outsourced its asset management activities to a third party asset manager, Wealth Management Partners. See page 7 for more details. As of 2017, the reported income from securities and interest is net of fees charged by ECF's asset manager. These fees were €62,033 in 2021 compared to €44,823 in 2020. The increase is due to the substantial growth of the volume of the portfolio compared to 2020.

How ECF's income is used

In 2021 ECF dedicated its income from PBCF and external funders to its core activities:

- Share Europe
- Experience Europe
- Imagine Europe
- Public Policy
- Communications

ECF's reserve

ECF's reserve is used as a buffer in case of financial emergency as well as to ensure financial stability. The goal is to cover all overhead costs with income generated from investing the reserve. Any surplus as a result of lower expenditure than income is temporarily added to ECF's reserve and will be used for purpose-related activities in the following year(s). More information about the reserve is found on pages 6 and 18.

Result allocation

At year-end the result, in 2021 a surplus of €1,714,373, will be added in its entirety to the general reserve. At year-end this reserve was an amount of €19,945,920.

ECF Expenditure Committed to Purpose

Over the last 3 years ECF spent at least 92% of its expenditure to its core activities. The requirement for ANBI organisations is a threshold of 90%. In 2021 ECF budgeted a percentage of 94% of expenditure as committed to purpose. Due to lower overhead costs recorded in 2021, ECF spent 95%

of its costs to its core activities. In line with previous years ECF budgeted a percentage of 93% as part of the budget of €6,985,932 for 2022.

	Actual 2021	Budget 2021	Budget 2022
Total expenditure	6,830,978	6,901,000	6,985,932
Expenditure Committed to Purpose	6,507,879	6,485,357	6,500,585
Expenditure Committed to Purpose as % of total expenditure	95.27%	93.98%	93.05%

Overhead costs

Expenses are incurred for costs of Generating Income (fundraising) and Management and Administrations costs (Finance, Operations and Governance) in order to execute ECF's objectives. ECF aims to cover all overhead expenses from returns on its invested reserve (income from securities). This allows ECF to use all other income for purpose-related activities.

Detailed overview of overhead costs

In 2021 ECF overhead expenditure included fundraising costs, Finance costs and Operations and Governance expenses. All expenditure under Operations is redistributed to Programmes or recharged to Stichting Praemium Erasmianum. See also page 23 and 24 on the redistribution- and recharges of costs.

The total overhead expenditure in 2021 was €323,099 compared to €360,986 in 2020. Overhead expenses comprised 4.73% of the total expenditure in 2021.

	Actual 2021	Budget 2021	Actual 2020
Overhead expenses	323,099	415,643	360,986
Total expenses	6,830,978	6,901,000	5,865,022
Overhead as % of total expenses	4.73%	6.02%	6.15%

Over the last 3 years ECF limited its overhead expenditure to a maximum of 8% of its total expenditure. In 2021 ECF budgeted a percentage of 6%. Due to lower fundraising costs recorded in 2021, the actual percentage of overhead costs represented 5%. For 2022 ECF has budgeted a percentage of 7% based on a budget of €6,985,932.

Allocation of Management and Administration costs to Expenditure Committed to Purpose

In order to allocate Management and Administration costs to expenditure Committed to Purpose, ECF uses time writing as an allocation key. Time spent on activities is tracked and allocated using a software and time-writing system.

Costs of Generating Income

The net costs for Costs of Generating Income (fundraising costs) in 2021 were €75,115 compared to €99,165 in 2020.

	Actual 2021	Budget 2021	Actual 2020
Costs fundraising (internal)	52,888	77,180	79,249
Costs fundraising third parties	22,227	50,000	19,915
Costs fundraising before PBCF charge	75,115	127,180	99,165

Costs fundraising contribution PBCF	105,554	110,000	110,570
Costs fundraising	180,669	237,180	209,735

Fundraised income *includes* income from other foundations and governments but *excludes* income from PBCF and securities. As per longstanding agreement, ECF contributed €105,554 to PBCF's fundraising costs in 2021, compared to €110,570 in 2020. In 2021, lower costs were billed to ECF by PBCF for lottery support. The table below shows fundraised income against fundraising costs.

	Actual 2021	Budget 2021	Actual 2020
Fundraised income current year	1,866,208	1,796,000	764,267
Fundraising costs before PBCF charge	75,115	127,180	99,165
% Fundraised income	4.03%	7.08%	12.98%

For 2021 ECF realised a total sum of external contributions by profit/non-profit- and from government subsidies of €1.87 million, while ECF fundraising costs remained low: €75,115 (or 4% of ECF's actual external income) in 2021 compared to €127,180 (or 7% of the budgeted total of external contributions) for 2021. Since ECF aims to diversify its sources of income and increase the volume of external income, ECF has increased its fundraising investment costs for 2022 to 11% of the income from external funders.

In 2014, ECF received the CBF Quality Mark (Central Bureau for Fundraising – Centraal Bureau Fondsenwerving) certifying that the organisation's fundraising activities are considered trustworthy. The CBF states that income can only be recognised as fundraised once. This means that if a donor, who in ECF's case is PBCF, reports its own funds as fundraised and then passes those funds on to another organisation, the latter organisation may not also report those funds as fundraised. As a result, the total amount of fundraised income does not include income from the PBCF. Therefore, according to the CBF's definition, income gained through fundraising in 2021 was €1,866,208 compared to €764,267 in 2020.

Managing fees securities.

The costs associated with managing the assets that ECF reported for 2021 were €62,033 compared to €44,823 in 2020. This increase is due to a substantial growth of the volume of the portfolio compared to 2020. As of 2021, these costs were deducted from ECF's income from securities and interest. See also page 2, 7, and 16

Liquidity

Current assets, deposits and cash decreased in 2021 compared to 2020. The balance of liquid funds represented €1,646,676 at year-end 2021. At year-end 2020 this balance was €1,846,748.

Current assets and current liabilities

Current assets increased in 2021 compared to 2020. The balance of current assets was €2,400,700 at year-end 2021. At year-end 2020 this balance was €3,072,346. In contrast to the current assets, the current liabilities decreased in 2021 from €2,807,592 in 2020 to €2,249,585.

	31 Dec 2021	31 Dec 2020
Current assets, deposits, cash	4,047,376	4,919,094
Current liabilities	2,249,585	2,807,592
Current ratio	1.80	1.75

	31 Dec 2021	31 Dec 2020
Liquid funds	1,646,676	1,846,748
Current liabilities	2,249,585	2,807,592
Quick ratio	0.73	0.66

The composition of liquid assets has developed as follows:

	31 Dec 2021	31 Dec 2020
Current assets	2,400,700	3,072,346
Liquid funds	1,646,676	1,846,748
Total current assets and liquid funds	<u>4,047,376</u>	<u>4,919,094</u>
Liquid funds in %	41%	38%

Reserve

ECF's reserve is available for use, if needed, and is used as a buffer in case of financial emergency as well as to ensure financial stability. The reserve ensures the continuity of ECF, allowing the organisation to continue operating for a limited period of time in the event of an unexpected drop in income, and serves as a safeguard against income fluctuations. Through investment in low-risk securities, the reserve also functions as a source of income.

At year-end 2021, ECF's total reserve amounted to €19,945,920 compared to €18,231,548 at 31 December 2020. This major increase was a result of the positive return on the ECF's Securities portfolio. See specific information on the adjustment of the reserve page 18, reference 5.

Composition of ECF's securities portfolio and liquid funds:

	31 Dec 2021		31 Dec 2020	
Equity investments	8,840,899	44.84%	7,557,561	42.29%
Fixed income investments	9,230,657	46.81%	8,466,154	47.38%
Liquid funds: saving accounts	138,628	0.70%	85,395	0.48%
Liquid funds: other accounts	1,508,048	7.65%	1,761,352	9.85%
Total	19,718,231	100%	17,870,462	100%

The composition of ECF's portfolio is in line with ECF's 'Statement of Investment Principles', which is reviewed and approved by the Supervisory Board on a three-year basis. The most recent statement has been approved on 26 November 2021. ECF assumes an investment mix of 52.5% fixed income investments and 47.5% equity investments. In that connection, the Treasurer is permitted to maintain a bandwidth of 20% between both investment categories, i.e. fixed income may vary between 42.5% and 62.5% of the portfolio whereas equities may vary between 37.5% and 57.5% of the portfolio.

The investment policy standards maintained for environment, society and corporate governance (ESG) are compliant with standards indicated by United Nations Global Compact (UNGC), Goede Doelen Nederland (GDN) and take into account ESG-analyses provided by Dow Jones, EIRIS, MSCI and RobecoSAM.

At year-end 2021 44.84% of the portfolio consists of investments in equity investments and is 55.16% of fixed income investments and liquid funds.

Management of ECF's securities portfolio

Since 2011, ECF has outsourced the day-to-day management of its securities portfolio to Wealth Management Partners N.V. (WMP). Regular meetings between ECF's Treasurer, ECF's Manager Finance and WMP are held throughout the year. The investment of securities is based on the conservative investment strategy as outlined in the Supervisory Board-approved 'Statement of Investment Principles'. The investment strategy is reviewed every 3 years. The most recent approval of the Statement has taken place at 26 November 2021.

Appointment of auditors

The ECF annual accounts have been audited by Dubois & Co since 2013. The auditor is appointed by, and reports to, the ECF Supervisory Board, through the Audit Committee. After having issued a Request for Proposal for Auditing Services in 2020, with the goal to select an auditor for the years 2021 – 2023, it was decided to continue with Dubois & Co, taking into account there has been a responsible signing partner change in the audit team.

Budget 2022

	Budget 2022	Actual 2021
Income		
Income from related non-profit organisations*	4,539,619	4,674,203
Income non-profit organisations	1,150,000	349,274
Income from government subsidies	671,313	1,516,933
Income from individuals	-	1,210
Total income	6,360,932	6,541,621
Expenses		
<u>Expenditure Committed To Purpose</u>		
Share Europe	1,682,361	1,089,409
Experience Europe	792,028	1,801,336
Imagine Europe	2,839,627	2,514,687
	<u>5,314,016</u>	<u>5,405,432</u>
Public Policy	597,413	603,380
Communication	589,156	499,069
<u>Costs of Generating Income</u>	313,731	180,670
<u>Management and Administration</u>		
Finance	156,616	131,918
Operations	284,000	223,973
Operations (redistribution of costs)**	(284,000)	(223,973)
Governance	15,000	10,511
	<u>171,616</u>	<u>142,429</u>
Total expenditure	6,985,932	6,830,978
Result before Interest and income from investments	<u>(625,000)</u>	<u>(289,357)</u>
Interest and income from investments	525,000	2,003,730
Result	<u>(100,000)</u>	<u>1,714,373</u>
Allocation of result (Withdrawal from) / Addition to reserve	<u>(100,000)</u>	<u>1,714,373</u>

** This is the contribution, through the Prins Bernhard Cultuurfonds, from the Vriendenloterij / BankGiro Loterij and the Nederlandse Loterij Organisatie (Lotto/Staatsloterij).*

*** See also page 21 on redistribution of costs under Operations.*

Financial Statements

Balance sheet

As per 31 December 2021:

	Ref	2021	2020
Assets			
Tangible fixed assets	1		
Premises		29,843	30,739
Refurbishment		11,193	16,017
Furniture and equipment		35,538	49,575
		<u>76,574</u>	<u>96,331</u>
Financial fixed assets	2		
Fixed Income Investments		9,230,657	8,466,154
Equity Investments		8,840,899	7,557,561
		<u>18,071,555</u>	<u>16,023,714</u>
Currents assets			
Accounts receivable	3	2,400,700	3,072,346
Deposits, cash			
Cash and bank balances	4	1,646,676	1,846,748
Total		<u>22,195,505</u>	<u>21,039,140</u>
Liabilities			
Reserve	5		
General reserve		19,945,920	18,231,548
Current liabilities	6		
Grants payable		1,692,373	1,001,915
Other accounts payable*		557,212	1,805,677
		<u>2,249,585</u>	<u>2,807,592</u>
Total		<u>22,195,505</u>	<u>21,039,140</u>

Statement of income and expenditure

	Ref	Actual 2021	Budget 2021	Actual 2020
Income				
Income from related non-profit organisations*		4,674,203	4,535,300	4,535,300
Income non-profit organisations	7	349,274	873,000	445,451
Income from government subsidies	8	1,516,933	923,000	318,816
Income from individuals		1,210	-	877
Total income		6,541,621	6,331,300	5,300,444
Extraordinary income**		-	-	3,210,918
Total income		6,541,621	6,331,300	8,511,362
Expenses				
Expenditure Committed to Purpose				
Share Europe		1,089,409	1,379,678	1,235,403
Experience Europe		1,801,336	1,749,977	654,465
Imagine Europe		2,514,687	2,278,377	2,563,905
		5,405,432	5,408,031	4,453,774
Public Policy		603,380	608,590	497,427
Communications		499,068	468,735	552,835
Total Committed to Purpose	9	6,507,879	6,485,356	5,504,036
Costs of Generating Income	10	180,670	237,180	209,735
Management and Administration				
Finance	11	131,918	158,463	145,502
Operations***	12	-	-	-
Governance	13	10,511	20,000	5,749
		323,099	415,643	360,986
Total expenses		6,830,978	6,900,999	5,865,022
Result before Interest and income from investments		<u>(289,357)</u>	<u>(569,699)</u>	<u>(564,578)</u>
Interest and income from investments	14	2,003,730	475,000	613,279
Result		<u>1,714,373</u>	<u>(94,699)</u>	<u>3,259,619</u>

** This is the contribution, through the Prins Bernhard Cultuurfonds, from the Vriendenloterij / BankGiro Loterij and the Nederlandse Loterij Organisatie (Lotto/Staatsloterij).*

*** Extraordinary income refers to income from liquidation ECF Voorzieningsfondsen.*

**** All costs recorded under Operations are redistributed to Expenditure Committed to Purpose, or are recharged to Stichting Praemium Erasmianum (SPE). See also page 23 and 24.*

Cash flow overview

	Actual 2021	Actual 2020
Cash flow from operating activities		
Result	1,714,373	48,702
Depreciation tangible fixed assets	29,713	31,974
Movements in accounts receivable	671,646	472,471
Movements in short-term liabilities	-558,007	754,390
Cash flow from operating activities	1,857,726	1,307,537
Cash flow from investment activities		
Additions to tangible fixed assets	-9,956	-26,124
Movements in financial fixed assets	-2,047,841	-252,334
Cash flow from investment activities	-2,057,798	-278,458
Movements in liquid assets	<u>-200,072</u>	<u>1,029,078</u>
Opening balance liquid assets	1,846,748	817,669
Closing balance liquid assets	1,646,676	1,846,748
Movements in liquid assets	<u>-200,072</u>	<u>1,029,078</u>

Accounting Principles – European Cultural Foundation

General

ECF is an operating and grant-giving foundation. Its core income is received from the Prins Bernhard Cultuurfonds (PBCF). Other income is derived from grants, subsidies, donations and ECF's securities portfolio.

Grants are awarded to third parties on the basis of projects submitted through grant applications, either through open calls or by invitation. Programmes are run by ECF alone or in partnership with other organisations in line with ECF's strategic plan 2021 - 2025 and the annual work plan.

Reporting period

The financial statements contained in this report are based on the reporting period of one year, where the financial year equals the calendar year.

Basis for valuation and determining the result

Unless specified, both the assets and liabilities are valued nominally. Income and expenses are attributed to the year to which they are related.

Cash flow – indirect method

The cash flow analysis is based on the indirect method. It connects the result of statement of income and expenditure with the incoming and outgoing cash flows of the balance sheet.

Tangible fixed assets

Tangible fixed assets are valued at cost price less the accumulated depreciation. Depreciations commence from the moment the investment is put into use. Investments of less than €500 are fully expensed in the year of purchase.

Depreciation is calculated on a cost basis against the following rates per annum:

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

Financial fixed assets

Shares and bonds are stated at market value at year-end. Realised and unrealised gains and losses are accounted for in the statement of income and expenditure.

Amounts in foreign currencies are converted into Euro at year-end rates. Transactions in foreign currencies are recorded using the exchange rates on the transaction date. Gains and losses on transactions are included in the statement of income and expenditure.

Recognition of income

ECF's main source of income is from the Prins Bernhard Cultuurfonds. This is recognised in a statement from the Prins Bernhard Cultuurfonds, which indicates the amount of funds ECF has received from the Vriendenloterij / BankGiro Loterij and the Nederlandse Loterij Organisatie

(Lotto/Staatsloterij). In line with RJ650 regulations regarding the recognition of lottery income (received by ECF through Prins Bernhard Cultuurfonds), the recording of income has to be in line with the period in which the actual lottery proceeds were generated.

ECF has been recording the contributions - from the moment ECF has been receiving the contributions through the Prins Bernhard Cultuurfonds - in line with the timing of the confirmations by letter from Prins Bernhard Cultuurfonds. Since these were received on a quarterly basis with a usual delay of 3 months, a retro-active increase of the reserve had to be applied. In practice this implied ECF brought forward the quarterly contribution of €1,166,724, previously to be recorded at quarter 1 of 2021, and it was added to the reserve, and thus recognized as income to be allocated to 2020. The net impact on the 2020 result was a deficit of €31,352.

According to a longstanding agreement between the two foundations, 25% of the non-designated income received from the Lotteries is passed on to ECF by the Prins Bernhard Cultuurfonds.

Recognition of expenses

In general, expenses are charged to cost centres based on actual expenses per project. Operational expenses are recognised as soon as they can be estimated and are legally enforceable by third parties, because of contracts or communicated commitments. A large proportion of staff and administration costs are allocated to ECF's activities using time writing as the allocation key.

Costs of Generating Income (fundraising costs) consist of salary costs and consultancy costs, and include as agreed between the Prins Bernhard Cultuurfonds and ECF, the allocation of 25% of the fundraising costs incurred by the Prins Bernhard Cultuurfonds.

Operations

All costs recorded under Operations are redistributed to 'Expenditure Committed to Purpose', or are recharged to Stichting Praemium Erasmianum (SPE).

90% spending rule

ECF is committed to spending (expenses minus fundraising income) at least 90% of its total lottery income on its purposes. Based on the average lottery income of the previous three years, ECF complied with this in 2021.

Reporting guidelines

The financial statements are prepared in accordance with Guideline 650 ('Richtlijnen Voor De Jaarverslaggeving' – 'Guidelines for Annual Reporting', and 'Guidelines for fundraising Organisations'), which provides accounting principles widely accepted in the Netherlands for fundraising institutions. In this method of reporting, expenses are allocated to objectives, to costs for Fund Development and to costs for Operations.

Notes to the Balance Sheet (Refs 1-6)

Tangible Fixed Assets (Ref 1)	Furniture & equipment			Total
	Premises	Refurbishment		
Historical cost				
Balance at 31 Dec 2020	179,069	354,100	704,582	1,237,751
Additions in 2021	-	-	9,956	9,956
Balance at 31 Dec 2021	179,069	354,100	714,538	1,247,707
Depreciation				
Balance at 31 Dec 2020	148,329	338,083	655,007	1,141,420
Depreciation in 2021	896	4,824	23,993	29,713
Balance at 31 Dec 2021	149,225	342,908	679,000	1,171,133
Book value at 31 Dec 2020	<u>30,739</u>	<u>16,017</u>	<u>49,575</u>	<u>96,331</u>
Book value at 31 Dec 2021	<u>29,843</u>	<u>11,193</u>	<u>35,538</u>	<u>76,574</u>

Note: A silent reserve of €3,053,000 can be labeled under 'Premises'. This is an assessed market value of ECF's building at Jan van Goyenkade 5, Amsterdam, according to issued 'WOZ-beschikking' of 1 January 2021. ECF reports this amount in this way is due to the fact the ECF records its premises at the initial purchase price and not at the current (higher) market value. Further it must be taken into account that the premises are part of a dual proprietorship between the ECF (75%) and Stichting Praemium Erasmianum (25%).

Financial Fixed Assets (Ref 2)

	Fixed Income Investments	Equity Investments	Total
Balance at 31 Dec 2020	<u>8,466,154</u>	<u>7,557,561</u>	<u>16,023,714</u>
Acquisitions	1,960,292	829,117	2,789,409
Sales	-938,724	-1,719,649	-2,658,373
Revaluations realised	-9,741	336,195	326,454
Revaluations unrealised	-247,324	1,837,676	1,590,352
Balance at 31 Dec 2021	<u>9,230,657</u>	<u>8,840,899</u>	<u>18,071,555</u>

Note: The total balance of €18,071,555 of the Financial Fixed Assets is included in ECF's portfolio overview below. The total balance of liquid funds of €1,646,676 reported separately as 'cash and bank balances' on the balance sheet (see page 10), has also been included. This resulted in a total portfolio sum of €19,718,231.

The overall result of ECF's securities portfolio, including interest income, throughout 2021 was a profit of €2,003,730.

	Assets	Result	Result %
ECF 2021 securities	18,071,555	2,003,611	11.09%
ECF 2021 interest (saving accounts)	138,628	119	0.00%
ECF 2021 portfolio total	<u>18,210,183</u>	<u>2,003,730</u>	11.00%
ECF 2020 securities	16,023,714	614,519	3.84%
ECF 2020 interest (saving accounts)	85,395	(1,240)	-
ECF 2020 portfolio total	<u>16,109,109</u>	<u>613,279</u>	3.81%

Current Assets (Ref 3)

	31 Dec 21	31 Dec 20
Prins Bernard Cultuurfonds	1,264,787	1,964,301
Commitments by funders	1,077,951	782,101
Deferred expenses	15,907	242,235
Prepaid expenses	27,875	26,517
Prepaid expenses pension	-	24,376
Other accounts receivable	3,608	6,196
Others	10,571	26,620
	<u>2,400,700</u>	<u>3,072,346</u>

Commitments by funders 31 Dec 2020	782,101
New commitments 2021	3,665,972
Released 2021	-3,370,122
Commitments by funders balance 31 Dec 2021	1,077,951

The current assets have a duration of less than one year.

Deposits and cash (Ref 4)

Cash and bank balances are at the disposal of ECF for operational purposes.

Reserve (Ref 5)

	General reserve	Revaluation reserve	Total
Balance as per 31 Dec 2020*	<u>17,064,824</u>	-	<u>17,064,824</u>
Adjustment balance 2020	1,166,724	-	1,166,724
New balance as per 31 Dec 2020	<u>18,231,548</u>	-	<u>18,231,548</u>
Additions	1,714,373	-	1,587,729
Withdrawals	-	-	-
Balance as per 31 Dec 2021	<u>19,945,920</u>		<u>19,819,277</u>

**In line with RJ650 regulations regarding the recognition of lottery income (received by ECF through Prins Bernhard Cultuurfonds), the recording of income has to be in line with the period in which the actual lottery proceeds were generated. ECF has been recording the contributions - from the moment ECF has been receiving the contributions through the Prins Bernhard Cultuurfonds - in line with the timing of the confirmations by letter from Prins Bernhard Cultuurfonds. Since these were received on a quarterly basis with a usual delay of 3 months, a retro-active increase of the reserve had to be applied. In practice this implied ECF brought forward the quarterly contribution of €1,166,724, previously to be recorded at quarter 1 of 2021, and it was added to the reserve, and thus recognized as income to be allocated to 2020.*

Current liabilities (Ref 6)Grants payable

According to ECF's procedures, projects supported by an ECF grant should be finalised within two years of the grant award date. In specific cases, this term may be extended with the approval of ECF's Director.

The grants payable as per the balance sheet consist of:

	31 Dec 21	31 Dec 20	
Grants awarded in 2017	-	10,000	
Grants awarded in 2018	3,959	16,419	
Grants awarded in 2019	31,541	106,559	
Grants awarded in 2020	250,455	868,937	
Grants awarded in 2021	1,406,417	-	
	<u>1,692,373</u>	<u>1,001,915</u>	<u>1,805,677</u>

Other current liabilities

	31 Dec 21	31 Dec 20
Taxes and social premiums	699	113,474
Other personnel costs	84,073	96,238
Contractual obligations	71,778	239,852
Contributions to spend	26,500	1,051,267
Accounts payable	296,815	257,791
Others	77,347	47,055
	<u>557,212</u>	<u>1,805,677</u>

Contractual obligations balance 31/12/2020	239,852
New contracts 2021	90,000
Released 2021	-258,075
Contractual obligations balance 31/12/2021	71,778

The ground lease term ('erfpachttermijn') of the ECF building at the Jan van Goyenkade 5, Amsterdam, which expires at 31 of August 2042, is to be categorized as an off balance sheet obligation. The annual obligation of the ECF represents € 8,645.

Notes to the Statement of Income & Expenditure (Refs 7-14)

ECF has a longstanding partnership with the Prins Bernhard Cultuurfonds through which it receives a quarterly financial contribution from the Vriendenloterij / BankGiro Loterij and the Nederlandse Loterij Organisatie (Lotto/Staatsloterij). In 2021, the contribution from the Prins Bernhard Cultuurfonds was €4,674,203, representing 71.45%* of ECF's income. Compared to the actual income received from Prins Bernhard Cultuurfonds reported in 2020 (€4,535,300), there was an increase of €138,903 in 2021.

**The percentage of 71.45% of ECF's income is the percentage of ECF income 2021 excluding the result on Interest and income from investments.*

Income non-profit organisations (Ref 7)

	Actual 2021	Budget 2021	Actual 2020
Compagnia di San Paolo (CoS Fund)*	100,000	80,000	115,000
MozFest (Online Spaces)	-	20,000	-
Adessium (Online Spaces)	-	25,000	-
Compagnia di San Paolo (Online Spaces)	-	25,000	-
Open Society Foundation Europe (CoS Fund)	86,645	85,000	-
Fondazione Cariplo (Libraries for Europe/OBA)	-	150,000	-
Fondazione Cariplo (Tandem Regions)	150,000	165,000	-
Open Society Foundation Europe (Tandem Western Balkans)	13,000	13,000	55,169
Robert Bosch Stiftung (Underspending contract Tandem Europe II)	(371)	-	-
Contribution European Challenge	-	150,000	-
CRT (European Pavilion)	-	150,000	-
Culture for Climate Action Fund	-	10,000	-
Allianz/CRT/CRC/SNF/OSF for CoS Fund	-	-	275,282
	<u>349,274</u>	<u>873,000</u>	<u>445,451</u>

Income from government subsidies (Ref 8)

	Actual 2021	Budget 2021	Actual 2020
Bundeszentrale für politische Bildung (CoS Fund)	500,000	-	-
European Commission (European Media Platform)	204,244	178,000	158,856
European Commission (Cultural Creative Places and Cities)	38,690	30,000	82,000
European Commission (Cultural Relations Platform)	24,100	15,000	
European Commission (Cultural Diplomacy Platform)			(7,565)
European Commission (Culture for Solidarity)	-	-	73,525
European Commission (Creative Europe/(i-Portunus)	749,900	700,000	-
Income from government subsidies	<u>1,516,933</u>	<u>923,000</u>	<u>318,816</u>

**CoS Fund means Culture of Solidarity Fund.*

Expenditure Committed to Purpose (Ref 9)

	Actual 2021	Budget 2021	Actual 2020
European Public Space	675,584	840,000	363,169
Cities of Change	-	-	407,964
Development costs 2021	14,420	8,339	2,602
Allocated salary and admin costs	399,405	531,339	461,669
Total costs Share Europe	1,089,409	1,379,678	1,235,404
Citizens Experience	166,288	350,000	80,340
Cultural Professional Experience	1,127,238	860,300	204,308
Development costs 2021	3,994	8,339	1,608
Cancelled STEP grants	-	-	(4,111)
Allocated salary and admin costs	503,816	531,338	372,321
Total costs Experience Europe	1,801,336	1,749,977	654,466
The Europe Challenge	174,059	350,000	51,753
European Pavilion	207,009	350,000	-
Stories of Europe	-	-	148,767
Culture for Climate Fund	-	20,000	-
Grants not taken up	(14,392)	-	(3,918)
Culture of Solidarity fund (CoS fund)	1,483,265	1,018,700	1,643,555
Development costs 2021	221	8,339	-
Allocated salary and admin costs	664,525	531,338	723,748
Total costs Imagine Europe	2,514,687	2,278,377	2,563,905
Public Policy	138,077	150,000	93,779
Allocated salary and admin costs	465,303	318,735	403,649
Public Policy	603,380	468,735	497,428
Corporate communications	66,320	60,000	64,422
Digital & Analog Publishing	48,669	60,000	105,723
Strategic media partnerships	29,432	30,000	12,100
Allocated salary and admin costs	354,646	458,590	370,590
Communications	499,068	608,590	552,835
Expenditure Committed to Purpose	<u>6,507,880</u>	<u>6,485,356</u>	<u>5,504,038</u>

Costs of Generating Income (Ref 10)

Costs of Generating Income (fundraising costs) include staff costs, consultancy costs and costs allocated to ECF by Prins Bernhard Cultuurfonds (PBCF). In the table below the contribution by PBCF to ECF has been included in the total income, which shows that the ratio for 2021 has decreased. This is mainly due to a decrease in staff costs distributed to fundraising.

	Actual 2021	Budget 2021	Actual 2020
Total income* incl. PBCF	8,545,352	6,806,300	5,913,724
Fundraising costs incl. costs PBCF	180,669	237,180	209,735
% fundraising income costs	2.11%	3.48%	3.55%

*Here Total income is including Interest and income from investments.

If income received from the PBCF is excluded from ECF's total fundraising income, it results in the table below.

	Actual 2021	Budget 2021	Actual 2020
Total fundraising income	1,866,208	1,796,000	764,267
Fundraising costs incl. costs PBCF	180,669	237,180	209,735
Fundraising costs excl. costs PBCF	75,115	127,180	99,165
% fundraising income excl. PBCF	4.03%	7.08%	12.98%

Included in the €180,669 of fundraising costs incl. costs PBCF are costs allocated to ECF from PBCF. These costs were €105,554, and were PBCF's costs related to charges incurred by the Lotteries. This left €75,115 in fundraising costs and a fundraising ratio of 4.03%.

Finance (Ref 11)

	Actual 2021	Budget 2021	Actual 2020
Finance	40,861	55,000	53,269
Allocated salary and admin costs	91,057	103,463	92,233
	<u>131,918</u>	<u>158,463</u>	<u>145,502</u>

Operations* (Ref 12)

	Actual 2021	Budget 2021	Actual 2020
Computerisation	88,526	120,000	106,759
Depreciation	29,713	35,000	31,974
Premises, utilities, other expenses	115,298	114,000	109,928
Representation	7,285	5,000	5,543
	<u>240,823</u>	<u>274,000</u>	<u>254,204</u>
Recharged costs Stichting Praemium Erasmianum	-16,850	-28,000	-28,037
Distribution of costs	-223,973	-246,000	-226,167
	<u>0</u>	<u>0</u>	<u>0</u>

** All costs recorded under Operations are re-distributed to Expenditure Committed to Purpose, or are recharged to Stichting Praemium Erasmianum (SPE). As a result of a co-ownership of the building with ECF, SPE entered into an agreement between the two foundations that confirms costs related to Operations will be recharged to SPE on an annual basis. The recharge is based on an agreed fixed key. All remaining expenditure recorded under Operations is re-distributed to Expenditure Committed to Purpose. In order to allocate these expenses, ECF uses the same allocation key as applied for the redistribution of HR costs. By using a software and time-writing system, time spent by staff on activities is tracked and properly allocated.*

Governance (Ref 13)

	Actual 2021	Budget 2021	Actual 2020
Board related operational expenses	10,511	20,000	5,749
	<u>10,511</u>	<u>20,000</u>	<u>5,749</u>

Interest and income from investments (Ref 14)

	Actual 2021	Actual 2020
Interest from bank accounts	(7,438)	(3,111)
Realised revaluations fixed income investments	(9,741)	(40,974)
Unrealised revaluations fixed income investments*	(247,324)	125,898
	<u>(257,065)</u>	<u>84,924</u>
Dividends	156,396	96,601
Realised revaluations equity investments	336,195	9,675
Unrealised revaluations equity investments*	1,837,676	470,013
	<u>2,330,267</u>	<u>576,289</u>
	2,065,763	661,213
Management fees securities	(62,033)	(44,823)
Interest and income from investments	2,003,730	613,279

**The total unrealised results (loss) on the revaluation of fixed income investments (€247,324) and equity investments (profit of €1,837,676) are recorded as reported by Wealth Management Partners N.V., ECF's fund manager.*

Staff costs*

	Actual 2021	Budget 2021	Actual 2020
Salaries	1,529,716	1,592,714	1,558,594
Social charges	243,273	245,473	253,107
Pension costs	276,232	266,266	264,515
Travel allowance	38,784	34,360	21,233
Other staff costs (including training)	184,261	152,169	133,349
	<u>2,272,267</u>	<u>2,290,983</u>	<u>2,230,798</u>
Interim staff	35,400	15,000	46,494
Total**	<u>2,307,667</u>	<u>2,305,983</u>	<u>2,277,292</u>

**In the financial reporting staff expenses are being distributed to all ECF activities, based on a pro rata time allocation, in line with the 2021 distribution of HR costs. ECF makes use of an automated time writing system that's aligned with figures in the financial reporting.*

***Overall staff costs were slightly higher (0.07%) in 2021 than budgeted. Due to illness ECF had to hire extra interim staff during 2021.*

Employees

Taking into account the percentage of part-time employees at 31 December 2021 (76.7%), Full Time Equivalents (FTEs) for 2021 was 25.2. In 2020, the amount of FTEs was 25.8.

Remuneration for Director

ECF is managed by one Director. In 2021, the remuneration for this role was €119,246. Goede Doelen Nederland (GDN), the umbrella organisation for fundraising charities in the Netherlands, has laid out guidelines for determining the remuneration of charity directors ('Regeling belonging directeuren van Goede Doelen' or 'Remuneration Guidelines for Directors of Not-For-Profits'). For 2021, ECF applies the BSD rating (Basis Score voor Directie-functies normering) of 460 points as categorized under function group I.

In 2021, the ECF's Director's relevant annual income was €119,246, which is within the maximum of €140,780 as specified under function group I.

Name: A. Wilkens
Position: Director
Contract: Indefinite
Full time/37.5 hours
Period: 1 Jan-31 Dec 2021

Remuneration:	Annual Income	2021	2020	2019
	Gross salary	102,504	101,089	96,275
	Holiday allowance	8,200	8,087	7,702
	Year-end bonus	8,542	8,424	8,023
	Variable components	-	-	-
	Total	<u>119,246</u>	<u>117,600</u>	<u>112,000</u>
	Other taxable compensation	27,388	26,083	24,707
	Pension	17,680	16,349	16,039
	Other regular compensation	-	-	-
	Severance pay	-	-	-
	Total 2021	<u>164,314</u>	<u>160,032</u>	<u>152,746</u>

Cost Allocation	Share Europe	Experience Europe	Imagine Europe	Public Policy	Communi - cations	Costs of Generating Income	Finance	Governance	Opera - tions	Total costs 2021
Grants 2021	389,029	1,224,695	1,824,145	-	-	-	-	-	-	3,437,869
Grants not taken up	-	-	(14,393)*	-	-	-	-	-	-	(14,393)
Partnerships and outsourced activities	244,210	69,377	29,289	128,611	96,739	-	-	-	-	568,225
Other activity costs	56,765	3,448	11,121	9,466	-	127,781	40,861	-	-	259,955
Communication costs	-	-	-	-	47,683	-	-	-	-	47,683
Personnel costs	366,122	458,569	604,914	424,143	322,841	48,161	82,918	-	-	2,307,667
Other general costs	-	-	-	-	-	-	-	-	223,973	223,973
Operations costs redistributed	-	-	-	-	-	-	-	-	(223,973)	-
Allocation of costs Operations	33,283	45,246	59,611	41,161	31,806	4,727	8,139	-	-	223,973
Governance	-	-	-	-	-	-	-	10,511	-	-
Total	<u>1,089,409</u>	<u>1,801,336</u>	<u>2,514,687</u>	<u>603,380</u>	<u>499,069</u>	<u>180,670</u>	<u>131,918</u>	<u>10,511</u>	=	<u>6,830,979</u>

*In 2021, a total amount of €14,393 that had been reserved for grants payable was released and was deducted from the direct costs as 'Grants not taken up'. This amount consists of outstanding instalments related to multiple projects that were not completed in the required timeframe.

Specifications RJ 650

ECF's reports Costs of Generating Income (fundraising costs) that include costs allocated to ECF by Prins Bernhard Cultuurfonds. These costs are not included in the calculation of the percentage of fundraising costs versus income from external funders. For 2021 ECF budgeted and realised, a total sum of external contributions by profit/non-profit- and from government subsidies of €1.8 million, while ECF fundraising costs remained low: €75,116 (or 4%) of ECF's actual external income in 2021 compared to €127,180 (or 7%) of the budgeted total of external contributions for 2021. Since for the future years ECF aims to diversify its sources of income and increase the volume of external income, ECF has increased its fundraising costs for 2022 to 11% of the income from external funders.

Expenditures percentage	Actual 2021	<i>Spending ratio</i>	Budget 2022	<i>Spending ratio</i>	Actual 2020	<i>Spending ratio</i>
Total expenditures ECF	6,830,978		6,985,932		5,865,022	
Total income ECF	6,541,621		6,360,932		5,300,445	
Result before interest and income from investments	<u>(289,357)</u>	95.76%	<u>(625,000)</u>	91.05%	<u>(564,578)</u>	90.37%

Fundraised income and expenditures	Actual 2021		Budget 2022		Actual 2020	
Fundraised income	1,866,208		1,821,313		664,781	
Fundraising costs after charge PBCF	180,669		313,731		209,735	
Fundraising costs before charge PBCF	75,115	4.03%	203,731	11.19%	99,165	14.92%

Costs of Generating Income	Actual 2021		Budget 2022		Actual 2020	
Costs fundraising (internal)	22,227		50,000		79,250	
Costs fundraising third parties	52,888		77,180		19,915	
Costs fundraising PBCF	105,554		110,000		110,570	
	<u>180,669</u>	-	<u>237,180</u>	-	<u>209,735</u>	-

Supplementary Information

Appropriation of the result

The result for the year is at the disposal of the Supervisory Board.

Annex A

The ECF is committed to spend at least 90% of its total Lottery income on its activities, based on the average Lottery income of the previous 3 years.

Average Lottery income previous 3 years	4.580.318	actual	(a)
Minimum to spend (90% limit of Lottery income)	4.122.286	actual	(b)
Net expenditure	4.964.771	actual	(c)

842.485	spending ABOVE limit (required)
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The ECF complies with the 90% rule in 2021

Calculations

	4.506.657	Lottery Income 2020	
	4.703.823	Lottery income 2019	
	4.530.474	Lottery income 2018	
(a) Lottery income previous years	4.580.318	Lottery income average	(a)
(b) Minimum to spend (90% limit of Lottery income)	4.122.286	90% limit	(b)
	6.830.979	Total expenditures 2021	actuals
	-349.274	minus 3rd party income	actuals
	-1.516.933	minus government income	actuals
(c) Net expenditure	4.964.771	Net exp 2021	actuals
	4.122.286		
	minumum to spend excl third party income		

The European Cultural Foundation is grateful for the longstanding partnership with the Prins Bernhard Cultuurfonds. We acknowledge the annual financial contribution – through the Cultuurfonds – from VriendenLoterij and Nederlandse Loterij.



The European Cultural Foundation would also like to thank all our partners who have supported us so generously in 2021:

- Compagnia di San Paolo
- European Commission
- Foundation Open Society Institute
- Fondazione Cariplo
- Bundeszentrale für politische Bildung

Please visit culturalfoundation.eu/partners for a full list of our current partners and funders.

We are a member of the Vereniging Fondsen in Nederland (FIN), of Goede Doelen Nederland and the European Foundation Centre/Philea (EFC). Since July 2014 we have held the CBF ‘Centraal Bureau Fondsenwerving/Central Bureau for Fundraising organisations keurmerk’ (seal of approval).



As a member of Goede Doelen Nederland, the European Cultural Foundation complies with all the necessary codes and guidelines, including the SBF-code for Good Governance and the Erkenningregeling Goede Doelen.

[SBF-code for Good Governance](#)

[Goede Doelen Nederland codes, rules and guidelines](#)

We also endorse the European Foundation Centre's Principles of Good Practice.
[Principles of Good Practice](#)

We have the ANBI ('Algemeen Nut Beogende Instelling') status, which means that the Foundation's objectives have been deemed to improve the well-being of the general public.

Colophon

Activities Report – ECF Staff

Financial Report Hans-Peter Christen

Coordination Lise Mathol

Editing Bas Lafleur, Martijn van Schieveen, Ashley Thompson, Friso Wiersum

Image editing Ashley Thompson, Lise Mathol

Concept & design HOAX, Ashley Thompson

Published by European Cultural Foundation

Amsterdam 2022

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The European Cultural Foundation promotes a European sentiment through developing and supporting cultural initiatives that let us share, experience and imagine Europe.

Jan van Goyenkade 5

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The Netherlands

INDEPENDENT AUDITOR'S REPORT

To: the Supervisory Board of European Cultural Foundation based in Amsterdam.

A. Report on the audit of the financial statements 2021 included in the annual report.

Our opinion

We have audited the financial statements 2021 of European Cultural Foundation based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of European Cultural Foundation as at 31 December 2021 and of its result for 2021 in accordance with the Guidelines for annual reporting 650 "Fundraising Organisations" of the Dutch Accounting Standards Board.

The financial statements comprise:

1. the balance sheet as at 31 December 2021;
2. the statement of income and expenditure for 2021; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of European Cultural Foundation in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

B. Report on the other information included in the annual report.

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- management board report;
- Annex A.

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Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements. The Director is responsible for the preparation of the other information, including the Director's Report, in accordance with the Guidelines for annual reporting 650 "Fundraising Organisations" of the Dutch Accounting Standards Board.

C. Description of responsibilities regarding the financial statements

Responsibilities of the Director/Supervisory Board for the financial statements

The Director is responsible for the preparation and fair presentation of the financial statements, in accordance with the Guidelines for annual reporting 650 "Fundraising Organisations" of the Dutch Accounting Standards Board is responsible for such internal control as the Director determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Director is responsible for assessing the organization's ability to continue as a going concern. Based on the financial reporting framework mentioned, Director should prepare the financial statements using the going concern basis of accounting unless the Director either intends to dissolve the foundation or to cease operations, or has no realistic alternative but to do so.

The Director should disclose events and circumstances that may cast significant doubt on the organization's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for monitoring the financial reporting process of the organization.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements.

Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director;
- concluding on the appropriateness of Director's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a organization to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amsterdam, 7 July 2022

Dubois & Co. Registeraccountants

A.P. Buteijn RA