

MATERA 2019

EUROPEAN CAPITAL OF CULTURE

# PROGRESS REPORT

AUGUST 2015



## *Strategy*

2015 is the year in which the fundamentals for the Matera 2019 project will be built. After obtaining the title in October 2014, a public and operational pathway was undertaken with the following main objectives:

### A) MATERA, CITY FOR PARTICIPATION, THE INNOVATIVE USE OF TECHNOLOGIES AND FOR SUSTAINABLE TOURISM

2015 is the year for perfecting the accreditation of Matera at the national and European level, as an example for the whole of the south of Italy and other European areas with fewer connections to major conurbations, of a city that can build a future based on culture, new forms of participation and involvement by citizens in cultural production, as well as new forms of tourism suited to the challenges of sustainable growth, in order not to alter the precarious balance between natural and architectural beauties and their mass exploitation. This was possible thanks to a clear and decisive positive impact of new technologies not only and not mainly as means of enjoying these beauties as for the production of original contents and for the continuous and transparent monitoring of collective action;

### B) MATERA, TEST FOR A NEW ECOC MODEL

In 2015 Matera intends to become, by rights, not only the latest Ecoc but also the focus and opportunity for exchange, becoming a model of good practice for the whole European Capital of Culture project, with particular reference to cooperation with Plovdiv and the cities with current capital status as well as the cities that will become capitals in the near future and with many other candidate cities;

### C) MATERA, COHESION AT THE LOCAL, REGIONAL AND NATIONAL LEVEL

The candidacy of Matera was strongly and widely supported by regional institutions. Support to Foundation activities and working teams has also been provided by local government, even after the elections of June which ushered in a change in the administration and in public and civic life in the city recently named as capital;

#### D) MATERA, FUNDABLE AND SOLVENT

One of the priorities chosen for 2015 is to design actions so that the Foundation is solid and has tried and trusted functioning mechanisms based on clear procedures and systems of governance, management, functioning, funding and administration.

Along the way it was important to define the terms of the hand-over from the Matera 2019 Committee (set up in 2011 to prepare the candidacy) to the Matera-Basilicata 2019 Foundation (created in September 2014 and fully operational from the end of April 2015, with the primary task of establishing the Matera 2019 programme). The hand-over put to work all the positive aspects of the candidacy process and to tackle the difficulties encountered along the way. The experience of candidacy was significant and important not only at the level of cultural design and communications, but also in running in the economic relations with public authorities and private entities, bringing up problems that will certainly become increasingly challenging as the project moves into the implementation stage. Unlike other cities where the candidacy was based on the administrative process of the lead Council, in Matera an “ad hoc” Committee was set up to deal with all management, administrative and financial aspects. This has enabled us to understand what economic resources are required, where to find them, how to optimize scheduling and cash flow in cooperation with partner banks, how to negotiate with creditors, and how to report openly, continuously and in detail on outcomes, in open data as an example that can be maintained and replicated. The existence of the Committee, for practical reasons involving a strong commitment until the end of April 2015, and now being wound down, delayed the process of setting up the Foundation in operational terms, it nevertheless was vital as a way of creating the basis for future work and we are confident that it will make project implementation smoother and easier.

#### E) NOT ONLY MATERA: A STRATEGY FOR THE WHOLE REGION

Governance at Central Government, City and Regional Authority levels was strengthened through the sharing of a common “Matera-Basilicata 2019 strategy”, involving territorial development in terms of improving living conditions and hospitality as well as promoting employment, especially youth employment, via culture and tourism.

The projects that are the pillars of the Bid Book - Open Design School and I-DEA – together with the cultural programme, represent the strategic links driving the development policies for Matera and the region as a whole.

At the regional level, strategic action has focused on cultural-tourism assets, via two actions able to establish the right conditions for the effective realization of the projects in the Bid Book and to accept the cultural challenge of Matera-Basilicata 2019.

The first action strengthening city/regional governance is the modernization of regional regulations in terms of managing and valorizing the cultural heritage of Matera and the whole of the Basilicata region; the second is aimed at strengthening the Cultural Programme through the support of actors/companies that produce culture, including local and European promotion. The new regulations on the valorization of the cultural heritage include the ability to stipulate “Valorization Agreements” between the City and Regional Authority guaranteeing forms of cooperation between public entities for the joint definition of strategies and objectives, the integrated valorization of cultural goods/containers and strengthening relations with the countryside and environmental assets.

In addition, “Valorization Plans” aim to implement actions to valorize the cultural heritage in order to foster the development of the production system of SMEs in the culture-tourism sector and the identification of advanced forms of management for environmental and cultural resources at the City and Regional Authority level. Priority aims are forms of participated and shared management able to guarantee cooperative relations and partnerships between public and private actors. In relation to improving hospitality, City/Regional governance is strengthened through joint service management improving use and/or access by the public, institutions and places of culture (museums, libraries, archaeological sites, historic buildings and the Central Institute for Restoration, the Basilicata Film Library).

In addition, the Matera City Authority, other City Authorities in the Region as well as the regional government are committed to building and strengthening the local and regional network of libraries, archives and museums under public ownership, and of other public and private institutions based in the territory, as well as to computerizing public services.

One focus will be on “sustainable” hospitality for “over 65s” and for the disabled, as beholden on any European Capital of Culture.

The regional level focuses on the recognition of the value of “social tourism” signing agreements with the Federation representing the elderly in terms of the quality of hospitality and variety of cultural-tourist products dedicated to the elderly. Hospitality services for tourists will be improved through more effective information and animation, and the

territory as “cultural heritage” - within the framework of sustainable tourism – will be promoted through a rich variety of cultural assets and activities, the performing arts, cinema and quality initiatives with an international reach.

In relation to the second action, government levels of agreement with local actors in the sector of cultural production have included agreements for the promotion and development of entertainment in line with the National Law on “Culture and Tourism” (Law 83 dated 31st May 2014) and with the quantitative and qualitative criteria specified in the Ministerial Decree of 1st July 2014 relating to entertainment in the cultural and tourism sectors.

Cultural projects promote the employment of creative individuals in line with new directives for cultural and creative industry and the use of cultural locations by the general public. Recent policies have focused on the possibility for entertainment organizers to work by networking with public and private cultural actors, artistic subjects and facilities in order to strengthen cultural enterprises, districts and company networks. Entertainment plans include the promotion by the City/Regional Authorities of initiatives with a national and international reach and quality in line with the standards of Matera-Basilicata 2019.

Furthermore, the University of Basilicata is also taking part in the process of Matera 2019 organizing initiatives, training courses as well as research activities concerning the valorization and preservation of Cultural and Natural heritage and has set up relationships with local bodies to develop its activities. In particular, the Academic Senate (28th January 2015) and the Board of Directors (29th January 2015) approved the starting of new courses for the 2015-16 academic year, the postgraduate degree course in landscape, environment and urban green and the International Master Course in Natural and Cultural Resources and Economics, accredited by the ministry through the ministerial decree n. 344 of 15<sup>th</sup> June 2015. Furthermore, on 16th June 2015 and on 25th June 2015 the Academic Senate and the Board of Directors, approved the starting of the following Master courses on subjects concerning the Matera 2019:

- 1) The postgraduate master course in Visual Anthropology and Public Art (VAPA) (MT)
- 2) The postgraduate master course in Economics and Management of Cooperatives and Local Cooperation (EGICOT) (PZ)
- 3) The postgraduate master course in Heritage and safeguard, preservation and rehabilitation of architectural heritage and landscape. (MT)

## **THE STEPS WE TOOK TO IMPROVE THE STRATEGY**

To reach the aims set out above, the following steps were taken:

- smoothing the transition from the Committee to the Foundation;
- creating common ground on which everyone could feel at home, encouraging the Foundation to act as a platform open to all local actors and cooperating with them rather than acting as the sole vehicle of implementation;
- reviewing projects with the new Mayor, Raffaello de Ruggieri, elected on 14th June 2015, and also with the local operators who has shaped the contents of the candidacy dossier together with the Artistic Director Joseph Grima;
- some projects were chosen as a test for the increasingly strong and committed role of the community as the driver of the socio-cultural project of Matera 2019 (see below the activities under the aegis of Basilicata Fiorita, which refer to the project in the dossier entitled “Gardentopia”);
- strengthening the national and international position of the city with a dense programme (as requested by many external actors) of public debates in the bordering regions and other parts of Italy and Europe, as well as broad coverage in the Italian and foreign press;
- intensification of the links with institutions not only inside the Foundation but also for processes outside the Foundation, in particular in relation to the policies of the Basilicata Regional Authority and of Mibact;
- strengthening partnerships which during the candidacy could not be exclusive and which, as the chosen capital city, can become dedicated to Matera and hence better able to provide tools for marketing and promotion (an exemplary case is the cooperation with the state broadcaster, Rai Radio Televisione Italiana, both directly and through the mediation of the Basilicata Regional Authority).

### **Matera an example for the south of Italy and for Southern Europe**

Starting from just a month after being named as the European Capital of Culture, on 17 November 2014 to be exact, Matera wished to consolidate the Italy 2019 project which had been so highly appreciated by the Jury, inviting the other finalists and the Minister for Tourism and the Cultural Heritage and Activities, Dario Franceschini, to work together for collective growth towards 2019, as described in the candidacy dossier. These moments of interaction took place over the following months with all Italian finalists in the Beaux Arts in Brussels, together with Culture Action Europe,

December 2014; in Matera, April 2015 with the web teams of the finalist cities; in Ravenna, 2015, in occasion inauguration of the Italian Capital of Culture.

Matera 2019 has dedicated a great deal of time to reinforcing the impact obtained from the title of Ecoc. Many leading cultural and entrepreneurial institutions, headed by the Ministry of Culture, have requested a strong presence in the places of the most intense and important cultural, economic and social discussions, greatly increasing the reputation of the city and its force as a powerfully positive symbol for the re-launch of the south of Italy. In a critical moment for the European identity with the debate raging on a possible “Grexit” and the definition of southern Italy as a Greece in even more drastic recession by SviMez (The National Research Centre for the Development of the South of Italy), the fame and central role of Matera have emerged loud and clear, without the need for a massive promotional campaign but, rather, concentrating on not creating false expectations, taking advantage of the opportunity to create a favourable environment from then on until 2020.

Attention should be drawn (see the Annexes) to the participation in the debate on the role of culture in Italy, promoted by the Symbola Foundation, the text on Matera Open Future published in the Symbola Report for 2015, the text included in the Fedeculture Report for 2015 and the presence at the public presentation of the Reports (in both cases in Rome with the participation of the Minister for Culture, Dario Franceschini); the presence of leading representative from the worlds of politics, economics and the media at the presentation of Expo Milan 2015 in Florence; and the homage to Matera 2019 as the next important event which the whole of Italy should back, the holding of dozens of meetings in neighbouring regions, to create a common approach in the south of Italy, with participants invited from the Puglia Regional Authority in Bari, Brindisi and Taranto, in Campania at the Ravello Lab, in Rende, Calabria, invitations to numerous national meetings to promote partnerships in culture and urban regeneration (including meetings in Bologna, Ferrara, Modena, Perugia, Belluno and Aquileia).

A great deal of interest has been shown by the academic world in Italy with focussed meetings taking place in Milan, at Bocconi and Cattolica Universities. The cooperation with IULM in Milan was started to include reports on Matera in the Master Course in Journalism and, finally, an important agreement with 18 Italian Universities within the framework of the European DiCultHer Project coordinated with Miur at the University of Turin and including, of course, the University of Basilicata, to make Matera, together with L’Aquila, the main location of experimentation for innovative digital training and production policies dedicated to material culture.

Matera 2019 also built relations with the Ministry of Foreign Affairs, in order to improve cooperation with Jordan above all in the area of sustainable tourism and set up relations with the Ambassador of Tunisia for collaboration moving towards 2019 when Tunis will be the African Capital of Youth.

But the relations established by the Foundation were not restricted to institutions: the enlarged network of Matera 2019, comprising cultural associations, festivals and schools is putting to maximum benefit the title of European Capital of Culture to strengthen its own actions and its European and international dimension (starting with the Council of Matera with stronger links with Estonia and – to cite only a few examples – the Matera Association Balloons Festival and relations with Turkey / Cappadocia (Central Anatolia); Matera Ficts Festival and relations with Barcelona / Catalonia; the Arteria Association and relations with Bulgaria; the IAC Association and relations again with Bulgaria).

### **Participation in the European debate and strengthening the European network**

Immediately after nomination, a great deal of interest in Matera was generated in Italy and Europe, with a view to the joint development of concrete projects.

Specifically, strengthening European cooperation was based on two aspects of the Matera candidacy: participation practices and cultural citizenship on the one hand and, on the other, building cooperation between ECOCs in the communications sector and innovative digital use.

In relation to practices for cultural citizenship, Matera took part in the EU Reflection Group on the EU and cultural heritage, which identified as good practice the mapping of “participatory governance on cultural heritage” under the auspices of the European Expert Network on Culture, and strengthened its partnership with the European Council, the Odin Theatre and Nemo.

On the second topic, Matera organized a meeting in April with all the European capital cities of culture (see below) in order to exchange good practice in communications and spread the word of the ECOC event, promoting opportunities and methods of cooperation (see the dedicated document in the Annex).

At the same time, Matera has strengthened its cooperation with European Capitals of Culture on specific projects (see New Year with Mons and Pilsen and the cooperation project on social light and dark skies with Leeuwarden e Aarhus) and projects to be developed with Netherlands.

See the Annex for relations with the Culture in Action Association and participation in a discussion on the present and future of the Ecocs in Brussels, cooperation with San Sebastian (social innovation and mobile ambassadors), Wroclaw (architecture of shame and collapse), Pafos

and La Valletta. Relations have also been established with Greek, Irish and Croatian cities for an exchange of good practices for candidacy.

### **Collaboration with Plovdiv and Bulgaria**

From the very start of the candidacy process there was a great deal of affinity between Matera and Plovdiv; after joint nomination the contacts between the two cities became even stronger. Of particular significance was the event held on 19th May in the Italian Institute of Culture in Brussels, following ratification of the Ecoc nomination in the morning, with the cities of Matera and Plovdiv TOGETHER, in the presence of their respective Mayors and the two Candidacy Directors, presenting their proposals for the next five years to an audience of experts, these plans including common projects and strengthening not only cultural but also social and economic relationships.

From 4th to 6th September 2015, Plovdiv will be invited in Matera to present the challenges it faces, above all in the social and city planning sectors, on the occasion of the fifth edition of Materadio; similarly, an institutional delegation from Matera will be present at the Plovdiv Architecture & Design Week in September.

### **Relations with the city and its citizens**

The exceptional participation in the candidacy process and the incredible popular celebrations following nomination might have meant that no new project was necessary to involve citizens, at least for some time. But a new project was activated immediately after nomination following on the unstinting work over four years of candidacy. The project aimed to consolidate the positioning of Matera which intends to focus on culture to change social status and habitus, increasingly involving citizens in the design of actions to improve urban space both for inhabitants (who we call “cultural inhabitants”) and Italian and foreign visitors (who we call “temporary citizens”).

In addition to the meeting mentioned above with the Minister and other candidate cities on 17 November, the Christmas and New Year projects, the official closing of the exhibition on flags organized with schools, it was decided, on the one hand, to undertake a critical and concrete analysis of opportunities and challenges for the city and its past candidacy and, on the other, to involve the community in improving physical spaces within the territory, making the citizens wholly responsible for this project. There were two emblematic moments: the meeting with Robert Palmer held in February and the *Basilicata fiorita* project .

## **The community launches the challenges for 2019**

An important strategic hand-over took place during a public meeting on **12 February 2015** in which, together with **Robert Palmer**, the leading international expert on Ecoc (*European Cities and Capitals of Culture - City Reports Part I and Part II*), we analyzed partly via the Panel Report published by the Jury, the reasons for choosing Matera, the opportunities for the territory and the challenges to be faced and overcome towards and after 2019. The Director Paolo Verri, the Artistic Director Joseph Grima, the Project Manager for Matera 2019, Rossella Tarantino, Marta Ragozzino, Director of the Cultural and Natural Heritage of the Basilicata Regional Authority and Alessandro Bollo of the Fitzcarraldo Foundation attended the meeting in conversation with about 400 people in the audience, 60 of whom presented a project or idea for participation and communication based on culture as the driver of society and democracy. All the proposals were published and discussed on the **Matera 2019 website**.

## **Basilicata Fiorita**

*Basilicata Fiorita* is a project aiming at promoting active participation by citizens and the community spirit through green culture, promoting the public use of city spaces and forms of socialization, improving the quality of life and the city environment and getting the most out of the city's new districts and recent architecture, via the dissemination of green culture.

We linked the project, which obtained the massive support of citizens, with other important moments for the local and European community. Firstly, the underlying environmental theme of Basilicata Fiorita was used on 21 June for the Europe's Music Festival, a day dedicated to bringing music to places where it is not normally heard, in the outskirts of Matera and Potenza, and small towns in the region of Basilicata, decorating these relatively unknown areas with flowers.

It is the second edition of Basilicata Fiorita, a project that has grown not only in terms of numbers but also the quality of the initiatives. In addition to including all the City Authorities in the Region, flowers were used to decorate not only balconies but entire buildings and degraded areas. Winners were awarded training trips to gain further skills in growing and maintaining plants and flowers, in order to promote a culture of care in cities and towns, learning from good practices in Europe.

The project has an increasing number of national sponsors, such as Fai (FAI is Fondo Ambientale Italiano, the Italian Foundation safeguarding Italy's artistic and natural heritage) and the Italian Touring Club, as well as local partners such as the nurseries "Vivai Dichio", the University of Basilicata and, of course, the Matera City Authority.

## Work with schools

In addition to *Basilicata Fiorita*, schools have also been involved in the post-candidacy period via the project “Porta la tua scuola nel 2019” (translator’s note “Take your school to 2019”) involving over 1000 students from throughout the Basilicata region. During the *World Book Day*, on 23rd April 2015, we took part in and helped to promote the nationwide project set up by Mibact and Miur #ioleggoperchè and organized a collective reading with children from the “G. Marconi” Primary School in Matera. The young readers, aged 6 to 10, read from the masterpiece by Lewis Carroll *Alice in Wonderland* on the 150th anniversary of the first edition. The reading was staged in a variety of locations, using important school facilities and involving teachers and parents, ending the morning with a musical event.

## The role of the media & Matera 2019 perception

The public reaction to the nomination the results can be summarized as follows:

- extraordinary attention from the national and international media;
- the need to explain the reasons for the decision, the tasks involved and the opportunities;
- intense local discussions partly fostered by the election of the Mayor relating to the true motivations of the victory and, above all, who will manage the success and how.

## No community without communication

Due to its location in the south of Italy and its relatively small size, Matera, like most other small cities in the south, for long time has been unable to tell its story except through negative events. But the candidacy of the city finally made a difference to reporting of the region. An enormous amount of help was received by the state broadcaster, RaiRadio3, with whom – from September 2011 – we have worked closely in order to talk about Europe through the magnifying glass of a small southern city. A dedicated programme on Materadio is run directly by the Italian representatives of the European Commission in Rome, another opportunity to talk about Europe, its problems but also the opportunities it provides.

Since 5.48 p.m. on 17 October 2014, in other words the moment the Minister for Culture Dario Franceschini pronounced the name of the city chosen by the International Jury, a great deal has changed in the perception of Matera in the national and international press. Fourteen national and

international Television documentaries, about a hundred articles and reports on leading Italian and foreign newspapers and thousands of tweets of 140 characters described Matera and the opportunities that have arisen from its nomination as European Capital of Culture in 2019.

This is certainly the result of the lengthy work carried out systematically in 2010 which led to massive participation in the community through specific projects and by adopting an attitude towards communications as a strategic asset for the purposes of candidacy in the awareness that no community can exist without communications, equally no communications can take place if there is no community. However, the impact of the news of the nomination was surprising, and has been estimated at a value of 15 million euros, about five times the sum invested in the candidacy, making the entire world aware of Matera, in most instances for the very first time. Social media have done the rest. We are still estimating and discussing the results with other Ecoc, as specified below.

#### **After 17th October 2014**

The coverage of the celebrations in the city square immediately after the proclamation of Matera European Capital of Culture for 2019 was seen the world over both in conventional media and social media. Ever since that moment, attention has been directed at Matera 2019 - and the reasons for the victory - as never before.

"The *Sassi* and Pasolini, Matera becomes European Capital of Culture. The Mayor: Now we can set an example" (Corriere della Sera), "Matera, from pained beauty to Capital of Culture" (La Repubblica), "Matera, the future takes root among the *Sassi*. From national shame to pride: the Unesco site turns a paradigm onto its head" (Il Sole24Ore), "The dream of redemption for the South has won" (Avvenire), "Europa has chosen the *Sassi* of Matera" (Il Messaggero). These are just some of the headlines that appeared in leading Italian newspapers after the proclamation. Television coverage was also intense, including the state broadcaster Rai, Mediaset and international broadcasters (Sky, Arte, BBC) as well as the European press: La Vanguardia, The Guardian, Libération, Le Monde dedicated space to Matera that would have been unimaginable otherwise, with the world's leading cultural magazine, "The New Yorker" providing 8 pages on Matera!

#### **Communicating well in order to meet challenges. A topic of interest not only to Matera, but to Europe as a whole**

Nonetheless, many leading national newspapers did not go into the reasons behind the decision to appoint Matera, despite the many press releases summarizing the candidacy dossier. There and then

– before the motivation was made known officially some weeks later - the mass media limited themselves to celebrating the victory.

Immediately after 17th October, most articles in the national press, albeit reproducing the slogan "Open future" from the dossier, attributed the decision to the beauty of the natural landscape and the ancient history of the Sassi of Matera, rather than to the quality of the projects submitted to the Committee. A Press Conference with the members of the Jury should have been called immediately to set out the reasons for the award. Instead, without reading the candidacy dossier, journalists found it easier to come up with their own reasons, such as the wonders of the countryside and the thousand-year history of the city, entirely overlooking the actual project as submitted and the challenge for future change the city had accepted.

### **Ecoc = European Communication of Culture?!**

This was clear at an international conference we organized in Matera in April 2015, aware that communications were a point of strength in the candidacy, while often, beyond the strength of the Ecoc brand, the city that becomes capital communicates nationally rather than at the European level. But if the aim of the "European Capital of Culture" competition is to create a genuine European community not only through the common currency, but also, above all, through culture, the problem is to create a communications plan that is able to achieve this aim and to take into consideration previous experience and the challenges facing future candidates.

That is why on 8th and 9th April 2015 all those responsible for communications on behalf of the European Capitals of Culture from 2012 to 2019 were invited to a conference held in Matera. The result was two intense and useful days involving the capital cities of Umea 2014, Mons 2015, Plzen 2015, San Sebastian 2016, Aarhus 2017, Leeuwarden 2018, La Valletta 2018, Plodvív 2019 and Matera 2019. On the first day, the communications officers for each European city (Serafino Paternoster and Ilaria d'Auria for Matera) explained their strategies in their own specific cases.

What emerged clearly was the need to communicate the year as Capital to other European countries via press releases and by contacting the media for specific topics. The final aim was to set up a network able to disseminate the initiatives of each capital city as effectively as possible. The founding stone has been laid in this process of Europe-wide communications of European Capitals of Culture. This will be followed up by a new meeting to be held in October to draw up an initial case study based on San Sebastian 2016. Each communications manager will be responsible for communicating on behalf of the European Capitals of Culture for 2016 in their own countries, so

that the aims of the Ecoc competition can gradually be reached. During the second day, the results of the first day were summarized to Ecoc team members and guest speakers from Universities explained the communications strategy for 2019, for conventional and social media. A Euronews representative attended the meeting.

Numerous wide-ranging proposals were put forward during the meeting. The main request formulated was that the European Commission provide assistance in the communications sector and promote two-yearly studies on the effects of communications on the European Capitals of Culture.

In the meantime, Matera 2019 is building its communications strategy reinforcing the work on the social media and online platforms with the ability to produce a multilingual magazine to be distributed in Italy and the other European capital cities. The suggested title is **#europasonoio**.

## Governance and management

As stated in the first Section, the initial task was to manage the hand-over from the Matera 2019 Committee - created in 2011 specifically to prepare the candidacy - to the Foundation set up in September 2014 and fully operational since the end of April 2015, with the primary function of establishing the Matera 2019 programme.

### **The transition from the Committee to the Foundation**

The Matera Basilicata 2019 Foundation was set up on 3rd September 2014, the result of enormous collective effort to guarantee continuity with the work carried out by the community during candidacy. In the presence of all the founder members and with a focused governance, as established by the President of the Basilicata Regional Authority, three members of the Board of Directors were chosen: the Mayor of Matera and Vice President of the Basilicata Regional Authority as Chairman, plus the President of the Basilicata Regional Authority and a third member elected by the founder members.

The first meeting of the Board of Directors took place on 23rd December to approve the work programme and appoint the Director and Development and Relations Manager; in the month of April funding was formalized and a contract was provided to the Director General taking over from the Committee. The Foundation became fully operational on 27th April 2015.

In the meantime the Committee continued to function as described above in order to finish the cost-reporting as required by Regional and Community regulations, as well as carrying out some of the

representative functions of the Foundation yet to be handed over. In February 2015, a meeting was organized with the entire working group that prepared the candidacy - with the support of Bob Palmer - in order to discuss the strengths and weaknesses of Matera 2019 from the organizational, financial and management point of view. This reflection led to the request for an organizational and management model suitable for Matera. As soon as the Foundation became fully operational, a second Board of Directors meeting took place, on 25th May 2015, the first after the appointment of the Director and the occasion for the new Director to give a detailed description on how to move the work schedule forward. Then began the study, as discussed in February, of the organizational and management models of the Foundation, in the light of the best European experiences. Through this study, which will be presented to the Commission in its general outlines on 16th September and which will be assessed and submitted for approval of the Board by the end of October, it will be possible to better define both the role of new members of the Foundation and the exact management structure chosen on the basis of the most suitable model after the candidacy: Open Future. In point of fact, in line with current Italian and Community legislation, it is the intention of the Foundation to delegate as much as possible the work involved in carrying out the projects included in the dossier, with a significant contribution from the local community, citizens and civil society, and less impact from traditional actors, such as politicians and administrators.

This does not mean, of course, that the Mayor and City Council, or the President of the Regional Authority and the Regional Council, and their respective administrative bodies, will play no part in Matera 2019; on the contrary, in agreement with the National Government and, in particular, the Ministry of Culture and Tourism, they will play an active role. For this purpose, in addition to regular consultations within the Council of the Foundation, including the above – but not, as yet, the Ministry, a resolution was passed to convene monthly meetings at the regional level of the inter-institutional working team, in this case including the Ministry, to provide close cooperation between political and other institutions and the progress of the Foundation programme.

### **The elections of the new Mayor, an important opportunity to reemphasize the central role of Matera 2019**

In June, exactly two weeks after its official nomination as Ecoc in Brussels, Matera underwent administrative elections, with five candidates for Mayor, twenty-three political groupings, and over 700 candidates for positions on the City Council. At the center of the political debate was precisely Matera 2019, already well-known to everyone in the city and, more widely, in the Region (see the attached Datacontact Report). The elections saw the victory of Mr. Raffaello de Ruggieri, lawyer,

formerly a member of the Matera Basilicata 2019 Committee after invitation by the scientific committee, present at the first meeting with the Ecoc Selection Panel in Rome in September 2013 and the author of the inaugural address after the visit of Committee representatives to Casa Ortega in October 2014. He confirmed his support for the Foundation, of which he became President, convening the first meeting of the Board of Directors for 27th July 2015, a meeting he chaired and which featured the Deputy President of the Foundation, Marcello Pittella, the Director Paolo Verri and three people invited for the occasion, the Director of Planning for the Basilicata Regional Authority, Elio Manti, the Development and Networking Manager for the Foundation, Rossella Tarantino, and the head of Culture and Tourism at the Basilicata Regional Authority, Patrizia Minardi.

The first meeting with the new Mayor had the important task of completing the Board of Directors by appointment of the third member, Professor Aurelia Sole, Rector of the University of Basilicata, as recommended by the other members (the Matera Chamber of Commerce, the Matera Provincial Authority and The University of Basilicata).

The Board confirmed the activities scheduled at the meeting of May 2015, the President of the Regional Authority, Marcello Pittella, and the new Mayor both indicating the central role of Matera 2019 as an instrument for the planning, promotion and development of the territory, based on the importance of culture and tourism for the urban and surrounding areas of Basilicata. On the suggestion of the President of the Regional Authority, the Board passed a resolution to establish an international competition for ideas aimed at promoting Matera 2019, to appoint by open call a manager for fund raising, and, also by open call, to appoint a Director for the economic and administrative management of the Foundation, an important role completing the staff requirements of the Foundation.

The Mayor also stressed the importance of the build-up period and asked the Foundation to focus on this period, which he believed to be fundamental for the legacy of the entire event. In his opinion, the creation and development of schools in specific sectors of the culture industry and for creativity should be considered the leading activity of the Foundation and the City Authority of Matera alike, an intention he would act on in dialogue with central government, based on the example in early July of the inauguration of the second national school for restoration, in Matera.

The choice of the fundamental position of the new City Council and the staff of the Mayor is based on a clear and strong vision with problem-solving capabilities in the city itself. The appointment of

an “external” Deputy Mayor, from outside politics, an expert in creative industries and in strategic city planning – at the time of writing in the job only for a few days - testifies to the Mayor’s understanding of the linkage between the medium/long-term strategies of the city and the actions required to carry forward the Matera 2019 projects, and their impacts on the city and the Region as a whole.

### **The recruitment of key managerial staff**

The direction management is clear and will be consolidated no later than 31<sup>st</sup> December 2015: with the Director General taking responsibilities for strategy, marketing, communications and relations with the political sphere locally and nationally, as well as with European institutions, with special interest in private fund-raising and the export of original cultural products, improving the “marketability” and overall sustainability of the legacy and the event itself. The Project Development and Networking Manager is responsible for European design and planning, integration with regional policies and relations with other European Capitals of Culture, particularly Plovdiv, to strongly strengthen co-planning and stimulate lasting relations between the two cities and two regions; the newly appointed Director will handle management and administration with direct control over the administrative department with particular reference to the flows of public resources, their use and cost-reporting and the transformation of projects into lean, nimble and transparent contracts.

After appointment of the Director General and Development and Networking Manager, by October an open call will be made for Management and Administrative Director, and an open call for the Cultural Manager will be made by December 2015, after reading the culture programme against solid evaluation associated with the theme of Open Future and after rigorous testing in terms of feasibility.

In addition, in the month of November, numerous working groups will be activated and organized in clusters, with two specifically linked to the two main development platforms in the programme, the Open Design School and I-DEA – the Ethno Anthropological Demo Institute – with Joseph Grima as senior discussant.

### **The role of the Board of Director and the Board of Trustees**

The Board of Directors was completed by appointment on 27th July of the Rector of The University of Basilicata, Professor Aurelia Sole, and is now able to represent all founder members. The Mayor

probably intends to table a motion to change the Articles of Association so that he is no longer directly the Chairman of the Board but an appointee of his can take over the position. It may be that the position should be occupied by the President of the Regional Authority. The opinion of the Commission may influence the Foundation in this regard.

The composition of the Board of Trustees shall be decided on the basis of the above-mentioned study of the governance of the Foundation. The scheduling is as set out: by mid-September interviews with stakeholders, discussion with the Commission of potential models, discussion by mid-October with the Matera City Authority, Basilicata Regional Authority and the national government, followed by the adoption of the chosen model by the end of October.

### **Development and implementation of internal administrative procedures**

In addition to establishing these instruments of governance, rules were established for the procurement system and for loans on the basis of specific guidelines based on the Italian legislative system for local government capable of being implemented from the point of view of transparency via the methods of open government tried and tested by the candidacy Committee and – starting with the candidacy itself – the Matera City and Basilicata Regional Authorities.

### **Revisiting of the training needs of cultural and project managers in the city and region and development of an enhanced and sustainable skills programme**

On the basis of the resolution passed on 25th May and confirmed in relation to the administrative system on 27th July, in September an on-site training programme will be drawn up for cultural managers able to develop individual projects in the best possible way. The programme will be implemented according to the resolution in close cooperation with the University and with the technical assistance of Prof. Franco Bianchini, a former scientific member of the Matera 2019 Committee and expert in cultural studies, a member of Liverpool 2008.

### **Development of a detailed staffing plan until 2020 including the participation of volunteers**

On the basis of the decisions that will be taken in relation to the management model for the projects, we will establish the exact staff planning for the Foundation by the end of November.

With regard to volunteers, as already stated in relation to economic and financial management, the Committee provided useful experience. In this area as well, Matera 2019 does not start from scratch: over 150 citizens of Matera have volunteered for individual initiatives, most of them

designed in cooperation with associations, schools, individual communities and families. In addition, on-line volunteers will supplement and broaden the role of the webteam, considered strongly innovative during the period of candidacy, partly as a result of the work carried out for Italia 2019 consolidated via the “web act” drawn up last June .

Starting from this dual legacy and from a detailed review of the projects in the dossier, by December an open call will be made for the position of Manager for both the on-site and on-line “volunteers”. The same person will also manage the role of Matera 2019 ambassadors.

### **Launch of the monitoring and evaluation processes, including collection of baseline quantitative and qualitative data**

With resolution dated 25th May and confirmed on 27th July, the Board of Directors authorized to set up a monitoring group including the University of Basilicata in cooperation with Alessandro Bollo, a former member of the Scientific Committee of Matera 2019 and expert in public cultural policy. Bollo will on the basis of the attached monitoring project, and with experts in a team from the University of Basilicata will draw up the Terms of Reference required for the tender to be announced by March 2016, in order to have 4 independent assessment reports: the first by the end of December 2016, the second by the end of December 2017, the third by the end of December 2018, and the last by the end of March 2020. The 7 topics for independent assessment will be:

- 1) cultural vibrancy
- 2) access to culture and participation
- 3) cultural citizenship
- 4) local identity and image
- 5) philosophy and management of the process
- 6) the European dimension
- 7) Economic impact and processes (cultural tourism and indirect employment; creation of added value by cultural & creative industries in Matera and Basilicata; ability to attract enterprise and investment; ability to tackle brain-drain associated issues

Special care will be taken in relation to the delicate situation of the promotion of Matera as a tourist destination. Matera as a Unesco World Heritage Site characterized by a fragile environment, requires immediate evaluation and actions to bring about a “change of mentality” and great effort to think of Matera – and enable it to be lived and enjoyed accordingly – as a territory in which tourists are genuinely “temporary citizens” and cooperates with “cultural inhabitants” in order to improve

the quality of life, transforming a “visit” into an opportunity for real exchange between the subjects in the territory. It will be a useful experiment for the entire national tourist system and for all UNESCO sites experiencing similar situations. All the research will be disseminated in open format for use and sharing with all the subjects involved, researchers, investors and policy makers.

## Section c) programme

The cultural programme has been reviewed for initial budgeting of the project clusters, which is also useful for the assessment of financial compatibility with various European, national and regional Funds.

This work is ongoing; it is in our interests to give details of how the 5 topics and 13 clusters will be implemented, a total of 67 projects. Some of the clusters and projects are already suited to absorption into others and the intention is to reduce the number of clusters to 10 and the projects to 52, one for every week of the year during 2019, with a series of projects that will become increasingly high-profile and include sub-actions.

This outline confirms the programme vision and design, and 3 projects acting as programme platform (IDEA-Open Design School and Build-up), all the most significant projects in each cluster.

This process also leads to the identification of launch projects which are designed over more than one year and have the nature of process projects. 10% of the budget will be allocated to these projects (3.6 million euros), as well as to new and community projects.

Also confirmed, of course, is the general spirit of the Open Future theme with vast and detailed applications not only within the cultural programme but in general political action in the city and region as a whole, which aim via direct and indirect investments for 2019 to become European best practice in the sector. **This work is shared by the new Mayor of Matera.**

As stated above, in the month of November executive design will begin for the participation meetings by cluster, with Joseph Grima acting as senior discussant for the meetings relating to IDEA and the Open Design School. This design work will cross over with the build-up and will lead to the launch of pilot projects.

Below a list is set out of projects to be initiated between 2016 and 2018. It is important to stress that the pilot (or ramp) projects were chosen from among projects with strong process content (e.g. Future Digs).

The pilot projects are listed below in detail. They are intended to verify feasibility, activating parts of them, monitoring progress:

- theme: remote future – cluster: dark skies - project: Social light
- theme: continuity and rupture – cluster: the most beautiful form of shame – pilot project: Architecture of shame
- theme: continuity and rupture – cluster: the most beautiful form of shame – pilot project: Matera 4 D
- theme: continuity and rupture – cluster: cats eyes end sirens – pilot project: Future digs
- theme: utopias and dystopias – cluster: the caring city – pilot project: Gardentopia (Matera city garden – Basilicata Fiorita)
- theme: roots and routes – cluster: edible geographies – pilot project: the Bread Route
- theme: roots and routes – cluster capital: drift – pilot project: Caravanseraï 3.0
- theme: reflections and connections – cluster: B stories – pilot project: Basilicata landscapes

## Resources

Currently the situation during candidacy has been maintained: a small, compact and cohesive staff in continuous dialogue using many of the resources of other administrations that are members of the Foundation irrespective of the result of the competition.

Staff members with fixed-term contracts are: Paolo Verri, Director General; Rossella Tarantino, Development and Networking Manager; Raffaella Pontrandolfi, Digital Specialist; Claudia Di Perna, Assistant to the Director and General Secretary. The CVs of the 4 long-term employees are attached.

These positions are assisted by the following temporary staff (present during candidacy) with contracts until 31 December 2015: Rita Orlando, Management and Contracts; Antonella Buono, Administration, project workers Massimiliano Burgi (Basilicata Fiorita, territory animation); Rebecca Raponi (Materadio).

In charge for the press we will have, till end of August 2015, Serafino Paternoster that managed as chief of media for the Matera City Council, without any costs for the Committee, all the relations with Italian and foreigner journalists all along the 4 years of the candidacy.

For the staff plan see the work on governance by the Foundation which will be completed by 31st October 2015.

### **Financial projections**

The Budget for Matera 2019 – see tables 1 and 2 - has been confirmed both overall and in the breakdown for the three leading cost categories (projects, communications and human resources/overheads). A contingency allocation of 5% has been made for each cost category.

The Cost Schedule (table 3) was drawn up based on the programme of activities for Matera 2019:

- 2015: main focus on studies and actions aimed at guaranteeing the operational capability of the Foundation, executive design and the consolidation of networking;
- 2016: main focus on the build-up and start-up of pilot projects by project clusters;
- 2017-18: focus on co-production and communications/distribution actions for the event;
- 2019: presentation of the event.

In relation to the funding of the Matera 2019 programme, it is confirmed as specified in the dossier and shown in tables 4 and 5 that almost 70% of the funding has been guaranteed via the Programme Agreement between the Matera City and Basilicata Regional Authorities which has allocated 31 million euros (approved by Resolution of the Regional Authority 1040 dated 3/9/2014) which identifies the Matera-Basilicata 2019 Foundation as the subject responsible for implementation.

On the basis of this Agreement, requiring the Foundation to submit operational excerpts of the Matera 2019 programme, with detailed schedules for each individual activity, in 2015 the Regional Authority allocated 1.2 million euros from regional resources and 1.5 million (for 2015-2016) drawn on the Development and Cohesion Fund.

### **Plans and current perspectives of use of European Union funding, including (but not limited to) ERDF and ESF.**

In future years (see table 6), the work of the inter-Institutional working group comprising the Planning Department of the Regional Authority, the City Authority and the Foundation will continue, identifying sources of funding from European sources (ESF, ERDF and EAFRD) and national sources (FSC) for each type of project (for example we are verifying whether Build-up actions are compliant with the ESF).

To acquire state resources, intense dialogue took place with the national government (and particularly with the Ministry of Culture and Tourism) which should lead to an increase in the original allocation, totalling 20 million euros, drawn on the annual balance sheet and the funds for

the 2014-2020 period. Over the coming weeks, the inter-Institutional working group will be enlarged to include Ministry of Culture and Tourism representatives, in order to reach an agreement for government funding by the end of the year.

During the candidacy period from 2011-2014, the Matera 2019 Committee directly managed a significant budget of 3.8 million euros, setting up an ad hoc administrative and management system. In this phase, certain critical issues were identified in terms of regular cash flow related to the Pact of Stability. In order to solve this problem and guarantee regular cash flows, the Foundation – in agreement with the Basilicata Regional Authority – intends to issue a tender to select 1 or 2 banks to advance funds against formal deeds from the Regional Authority.

### **Plans for private sector funding and your audit arrangements**

In relation to private funding, the aim is to reach 7.3 million euros via the sponsorship of exhibitions and events as specified below and through innovative forms of collecting funds as successfully tested in Matera. Numerous meetings have already taken place with potential national and international investors such as ANCE (the National Builders Association), Enel, Skyscanner.

For auditing, the Foundation will appoint an independent auditor responsible for applying all the required criteria for transparency associated with the open data procedure. External auditing could take place every three years: 2017-2020.

## **Plan of activities for 2016**

The work plan is divided into 4 two-year periods for the main milestones leading to the implementation and realization of the Matera Basilicata 2019 project: the first (2015-2016) will be dedicated to:

- The completion of the procedures and structures of governance, management, functioning, finance and administration for the Foundation, aimed at providing solid foundations and strong mechanisms for functioning;
- The organization and setting up of production and administrative systems useful for promoting the cultural products of the territory, as well as structuring a network of European public institutions and European/national public and private entities for the joint production and distribution of the contents in 2019;
- in the first two-year period, starting from November 2015, 3 presentations will be carried out involving 54 private sponsors, one for each week plus 2 specific sponsors for the inauguration and closing ceremonies. A dual level of sponsorship will be used, the A level with a Club of 19 supporting Foundation activities and 35 regional and local partners for activities strictly dedicated to the territory. In particular promotional activities will be organized with schools on behalf of the sectors of agriculture and craft industry, and creative start-ups, to foster the proper cross-over between cultural activities and the activities of individual sectors.

A second two-year period (2017-2018) will be dedicated to developing the contents set out in the bid-book upgraded to production and operation standards that take into account the priority aspects of digital culture from the points of view of both producers and users, and the continuous interactions between them. In order for the whole of Basilicata and much of the south of Italy to be involved, production will include many territorial centres more than willing to host artists and organizations. Some of the production may/should be based not only in Basilicata or Italy, but also in other areas chosen on the basis of the networking activities of the first two-year period.

In the second half of 2017 and throughout 2018, a great deal of attention will be paid to the communication of Matera Ecoc 2019, with a tour of the 27 countries of the EU and 20 regions of Italy, which will end with the international presentation of the programme on 21st June 2018 with a live television broadcast, streaming, periscope and twitter from Matera and, hopefully, Plovdiv.

The third two-year period will be dedicated entirely to the implementation and distribution of the projects as designed, with activities in Matera and Basilicata but also in 54 partner cities, 27 in Europe, 23 in Italy and 4 outside Europe, featuring Tunis, the African Youth Capital in 2019.

The fourth two-year period (2020 and 2012) will be dedicated to consolidating the cultural and tourist position acquired mainly on the basis of continuous monitoring from the second half of 2016 onwards.

If the first six months of 2015 was the period for consolidating the positive image of the Matera 2019 project with local stakeholders and with economic actors through communications at the national level, and the second half of 2015 will be used mostly to build solid foundations for Matera Basilicata 2019 at the level of political governance and operational management, 2016 will be the decisive year for the detailed planning of initiatives for Matera 2019, with particular reference to 4 areas: cultural planning; marketing and communications; productive and administrative build-up; the involvement of citizens as producers of contents, volunteers and ambassadors for the project.

### **Cultural programme, the involvement of private sponsors, networking for export**

By December the main aim will be to identify curators and the scientific team for the four principal exhibitions (Anthropocene, Pythagoras, the “*Renaissance seen from the south*”, Ars Excavandi), by March, the locations and institutional partners and by June economic and communications partners.

For this purpose, in the months of October and November 2015 a series of public and private presentations will take place aimed at finding public and, above all, private sponsors. Collections for these four initiatives should amount to at least 4 million euros. The logic is to stage them not only in Matera and Basilicata in 2019 but to include intense co-production with other cities / regions / countries able to host them until at least 2022. The exhibitions will be taken to European locations and to other continents, strengthening the image of Matera as a place of high-quality production and reinforcing the essential concept of the European Capital of Culture. After launch in Matera, the chosen sites for Anthropocene exhibition will be Berlin and Chicago; for the Pythagoras exhibition close cooperation has been established with Genoa, Oxford, Dresden and Boston; for the exhibition dedicated to the Renaissance seen from the south, the intention is to involve partners and lenders both from northern Europe and the Middle and Far East, with the circuit to include Bergen, Turku, Aarhus, Dubai (during Expo 2020 in cooperation with the Foreign Ministry); for the Ars Excavandi exhibition, attention has gone to similar territories which will be included in the exhibition itself, such as the underground areas of Tunisia, Spain and Turkey, with the circuit including Tunis, Barcelona, San Sebastian, Istanbul and Central Anatolia, with interest also in Mexico.

A second fundamental step will be to begin the work of the two main development platforms of the Matera 2019 project, i.e. the Open Design School and I-DEA. For both projects the locations of activities will be identified by December 2015 and the forms of specific governance by March 2016; the ODS will be vital not only for the new edition of Basilicata Fiorita in even closer association with the Basilicata Regional Authority, Department of Agriculture but also, and above all, for the Caravanserai 2.0 project and cooperation activities with Plovdiv in the design and architecture sectors.

## **Build-up**

After sample build-up activities for five test projects carried out in the last third of 2015, build-up will be intensified in the three strategic sectors described in the candidacy dossier.

In particular this will involve build-up for the public administration with reference to the setting up of a Department of Strategic Planning for the city of Matera according to agreements with the Deputy Mayor in order to keep production on track for Matera 2019. For the innovation system, a permanent magnet will be set up for creative industries as a legacy of the event. In co-operation with the Fitzcarraldo Foundation and with the support and assistance of Mibact, the intention is to

stage a specific conference to launch the theme of audience development, inviting experts working in the various Ecocs.

### **Involvement of citizens and schools**

In the first half of 2016 the involvement of citizens will be strengthened through three calls:

- 1) Call for volunteers
- 2) Call for Matera Basilicata 2019 Ambassadors
- 3) Call for schools in Basilicata, with re-launch of the Bring your School project in 2019 in cooperation with Miur and extension of the project to at least the macro-regional level

### **Ongoing evaluation**

As stated above, at the end of 2016 the first independent evaluation of the progress of the project will be carried out using the parameters specified above.

| Total expenditure (in euros) in the budget | Operating expenditure (in euros) | Operating expenditure (in %) | Capital expenditure (in euros) | Capital Expenditure (in %) |
|--|----------------------------------|------------------------------|--------------------------------|----------------------------|
| 701.830                                    | 51.980                           | 7,4                          | 649.850                        | 92,6                       |

| Operating Expenditure (in euros) | Programme expenditure (in euros) | Programme expenditure (in %) | Promotion and Marketing (in euros) | Promotion and marketing (in %) | Wages, overheads, administration (in euros) | Wages, overheads, administration (in %) | Others (Please specify in the text) |
|----------------------------------|----------------------------------|------------------------------|------------------------------------|--------------------------------|---|---|-------------------------------------|
| 51.980.000                       | 36.245.654                       | 70                           | 9.325.212                          | 18                             | 6.409.134                                   | 12                                      | 0                                   |

| Year | Programme expenditure (in euros) | Programme expenditure (in %) | Promotion and Marketing (in euros) | Promotion and marketing (in %) | Wages, overheads, administration (in euros) | Wages, overheads, administration (in %) | total      |
|------|----------------------------------|------------------------------|------------------------------------|--------------------------------|---|---|------------|
| 2015 | 1.250.000                        | 61                           | 300.000                            | 15                             | 500.000                                     | 24                                      | 2.050.000  |
| 2016 | 3.000.000                        | 73                           | 500.000                            | 12                             | 600.000                                     | 15                                      | 4.100.000  |
| 2017 | 4.000.000                        | 74                           | 800.000                            | 15                             | 600.000                                     | 11                                      | 5.400.000  |
| 2018 | 5.310.000                        | 62                           | 2.280.000                          | 27                             | 1.000.000                                   | 12                                      | 8.590.000  |
| 2019 | 16.500.000                       | 69                           | 4.300.000                          | 18                             | 3.000.000                                   | 13                                      | 23.800.000 |
|      | 30.060.000                       |                              | 8.180.000                          | 86                             | 5.700.000                                   |   |            |

| Table 4-Income                        |                                   |                               |                                    |                                |
|---------------------------------------|-----------------------------------|-------------------------------|------------------------------------|--------------------------------|
| Total income in the Budget (in euros) | From the Public Sector (in euros) | From the public sector (in %) | From the private sector (in euros) | From the private sector (in %) |
| 51.980                                | 44.700                            | 86,0                          | 7.280                              | 14,0                           |

| Table5-Income from the public sector |            |     |   |
|--------------------------------------|------------|-----|---|
| Source of income                     | In Euros   | %   | Please specify: Amount planned, available, secured? |
| National government                  | 11.000.000 | 25  | planned   |
| City                                 | 5.200.000  | 12  | secured   |
| Region                               | 25.000.000 | 56  | secured   |
| Province (and others)                |            |     |   |
| Foundation public founders)          | 2.000.000  | 4   | planned   |
| EU                                   | 1.500.000  | 3   | planned   |
| Others                               |            |     |   |
| total                                | 44.700.000 | 100 |   |

| Table 6- Timetable for receiving the income to be used to cover operating expenses |           |           |           |           |            |
|--|-----------|-----------|-----------|-----------|------------|
| Source of income   | 2015      | 2016      | 2017      | 2018      | 2019       |
| National government  |           | 1.000.000 | 2.000.000 | 3.000.000 | 5.000.000  |
| City   | 100.000   | 600.000   | 700.000   | 800.000   | 1.000.000  |
| Region   | 1.950.000 | 2.340.000 | 2.360.000 | 3.800.000 | 10.000.000 |
| Province   |           | 40.000    | 40.000    | 190.000   | 400.000    |
| EU   |           |           |           |           | 1.500.000  |
| Others (private )  |           | 120.000   | 300.000   | 800.000   | 5.900.000  |