

CULTURE DEVELOPMENT STRATEGY
«CULTURE 2020»

FOREWORD

In the period from 2009 till 2013 the Ministry of culture elaborated a number of legislative and regulating acts aimed to support the development of the cultural sector and the preservation of culture heritage taking into account the prospects of the European integration of the Republic of Moldova. In this context, eight laws were adopted and two institutions were founded whose task is to create proper conditions for the sustainable development of the cultural sector.

However, the cultural paradigm in Moldova, in terms of perception as well as in terms of implementation, still retains the elements intrinsic to the Soviet view on culture. In the new times, the influence of the Soviet heritage is hampering the development of the culture system. Studies conducted by foreign experts comes to the conclusion that the outdated institutional model generates three main obstacles for the further development:

- 1) culture is perceived on the basis of the outdated concept putting accent on the “high-end culture” (theatre, opera, classical music, museums, painting art) and placing “folk culture” on the periphery;
- 2) underdeveloped and instable associative sector;
- 3) underdeveloped private sector which lacks acknowledgement.

Such perceptions and approaches contribute to the static and constrained development model for the cultural sector where the Ministry of culture turns into a monopoly being considered as the only institution in charge for “genuine” culture. Thus, culture institutions remain dependent on state funding, since the system of culture management is outdated and human resources in the cultural sector are not yet fully covered by the system of continuing education which is supposed to contribute to the professional development of the artists as well as to the improvement of management capabilities and marketing qualification of the managers of culture institutions.

At the same time, on the political level culture is not considered as a branch which could contribute to the social and economic development of the country (private and associative sectors do not exert economic and social impact). Instead, culture is perceived as an awkward and expensive, since it is hard to maintain due to the excessive centralization of culture institutions. Recent surveys prove that 71% of the citizens are not satisfied by the performance of the state authorities in the field

of culture. If the paradigm of the cultural sector is duly reviewed, it can gain a more substantial role in the economy of the country and will contribute to the social engagement of the citizens and to their social inclusion.

The elaboration of the presented strategy is based on a number of important requirements:

a) exclusion of the random approach in the modernization of the legislative and regulating basis (i.e., depending on the current needs). Thus, the Strategy with its complex approach to the cultural sector becomes the core political document enabling the further development of culture;

b) creative industries should turn into one of the factors which can influence the economic growth of the country. The cultural sector in other countries can be described as a dual use system: on the one hand, the society preserves its culture heritage; on the other hand, the society fosters the development of culture industries. Culture in Moldova had always been most strongly exposed to the Soviet propaganda. When the priorities of the country are economic growth and employment, the respective sector should be reviewed in terms of its economic and social meaning. In this context, the Strategy lists conditions necessary to include culture policies in the policies of the sustainable development of the society;

c) necessity to develop marketing strategies for cultural products. Currently, cultural products are viewed as those without any pragmatical and direct economic value. This is not in line with market economy with free competition, but the sale of cultural products supposes their promotion on the domestic and international market. This Strategy will enable us to consolidate these opportunities with well designed steps;

d) securing protection and use of the national culture heritage. In this sense the Strategy will allow to elaborate national programs for the registration and restoration of culture heritage.

The Strategy «*Europe 2020*» views the development of the cultural sector, along with education and communications, as a pre-condition to fulfill five priorities of the European Union. Thus, the cultural sector plays a key role in the development of human capital.

Therefore, the Strategy «Culture 2020» offers a well-balanced development concept for the cultural sector of Moldova which was developed taking into account the essential national guidelines like the National Development Strategy «Moldova 2020», Decentralization Strategy as well as the European directives ratified by the Republic of Moldova.

The direct beneficiaries of the Strategies are the employees of the cultural sector and independent professionals in this area as well as the citizens of the Republic of Moldova irrespective of their place of residence. The implementation of the Strategy will consolidate the cultural sector and enhance its influence on the economic and social life, thus contributing to the development of education, employment and improvement of the quality of life.

The core principles of the Strategy are:

- 1) protection and use of culture heritage are the national priority;
- 2) access to the culture values for the citizens;
- 3) production of values and services in the cultural sector for the economic development of the country;
- 4) promotion of culture as a driving factor for the education and raising of the citizens.

LEGAL BASIS AND POLICIES OF THE SECTOR

Legal basis

The main regulations for the cultural sector of the Republic of Moldova are:

Constitution of the Republic of Moldova, adopted on July 29, 1994 (Official Journal of the Republic of Moldova, 1994, No. 1);

Law on culture No. 413-XIV dated May 27, 1999 (Official Journal of the Republic of Moldova, 1999, No. 83-86, p. 401);

Law on the protection of monuments No. 1530-XII dated June 22, 1993 (repeated publication: Official Journal of the Republic of Moldova, 2010, No. 15-17, p. 23);

Law on the protection of archeological heritage No. 218 dated September 17, 2010 (Official Journal of the Republic of Moldova, 2010, No. 235-240, p. 738);

Law on monuments built in public places No. 192 dated September 30, 2011 (Official Journal of the Republic of Moldova, 2011, No. 197-202, p. 569);

Law on the protection of national movable culture heritage No. 280 dated December 27, 2011 (Official Journal of the Republic of Moldova, 2012, No. 82-84, p. 270);

Law on the protection of immaterial culture heritage No. 58 dated March 29, 2012 (Official Journal of the Republic of Moldova, 2012, No. 76-80, p. 255);

Law on museums No. 1596-XV dated December 27, 2002 (Official Journal of the Republic of Moldova, 2003, No. 23-24, p. 81);

Law on cinema No. 386-XV dated November 25, 2004 (Official Journal of the Republic of Moldova, 2005, No. 1-4, p. 2);

Law on theatres, circuses and concert organizations No. 1421-XV dated October 31, 2002 (Official Journal of the Republic of Moldova, 2002, No. 174-176, p. 1331);

Law on publishing No. 939-XIV dated April 20, 2000 (Official Journal of the Republic of Moldova, 2000, No. 70-72, p. 511);

Law on libraries No. 286-XIII dated November 16, 1994 (repeated publication: Official Journal of the Republic of Moldova, 2003, No. 14-17, p. 47);

Law on folk crafts No. 135-XV dated March 20, 2003 (Official Journal of the Republic of Moldova, 2003, No. 84-86, p. 390);

Law on education No. 547-XIII dated July 21, 1995 (Official Journal of the Republic of Moldova, 1995, No. 62-63, p. 692);

Law on copyright and related rights No. 139 dated July 2, 2010 (Official Journal of the Republic of Moldova, 2010, No. 191-193, p. 630).

Basis of the policies

International treaties

European Convention on Culture, adopted on December 19, 1954 in Paris, ratified by the Decree of the Parliament No. 98-XIII dated May 12, 1994;

International treaty on economic, social and cultural rights, signed on December 19, 1966, ratified by the Decree of the Parliament No. 217-XII dated July 28, 1990;

Convention on the protection of world culture and nature heritage, signed on November 23, 1972 in Paris, ratified by the Law No. 1113-XV dated June 6, 2002;

Convention on the protection of immaterial culture heritage, signed on October 17, 2003 in Paris, ratified by the Law No. 12-XVI dated February 10, 2006;

Convention on the protection and support of the diversity of cultural self-expression, signed on October 20, 2005 in Paris, ratified by the Law No. 258-XVI dated July 27, 2006;

Convention on the protection of the European architectural heritage, signed on October 3, 1985 in Granada, ratified by the Law No. 533-XV dated October 11, 2001;

Framework Convention of the Council of Europe on the meaning of culture heritage for the society, signed on October 27, 2005 in Faro, ratified by the Law No. 198-XVI dated September 26, 2008;

European Convention on the joint film production, signed on October 2, 1992 in Strasbourg, ratified by the Law No. 127 dated July 7, 2011;

Convention on the European landscape, signed on October 20, 2000 in Florence, ratified by the Law No. 536-XV dated October 12, 2001;

Convention on the prohibition and prevention of the import, export and transfer of property rights on cultural values, signed on November 14, 1970 in Paris, ratified by the Law No. 141-XVI dated June 21, 2007;

European Convention on the protection of archeological heritage (revised), signed on January 16, 1992 in La Valletta, ratified by the Law No. 533-XV dated October 11, 2001;

Decree of the Council of the Heads of Governments of the CIS on the Cooperation Concept for the member states of the CIS in the field of culture, signed on May 19, 2011 in Minsk, approved by the Decree of the Government No. 672 dated September 12, 2011;

Agreement on joint film production, signed on November 14, 2008 in Chisinau, approved by the Decree of the Government No. 535 dated September 2, 2009;

Agreement between the member states of the CIS on the creation of the Support Fund for cultural cooperation between the CIS-states, signed on September 11, 1998 in Moscow.

Strategic planning documents on the national level

National Development Strategy «Moldova 2020».

Sectoral documents for strategic planning

National program for the IT-supply of the cultural sector for 2012-2020;

State policy «Improvement of management effectiveness at theatres and concert halls»;

State policy «Modernization and improvement of effectiveness in the museum sector»;

Development strategy for professional and technical education for 2013-2020;

Middle-term budget forecast (2012-2014).

The aim of the National Development Strategy «Moldova 2020» is to change the development paradigm of the country by attracting foreign and domestic investors as well as fostering science, innovations and export-oriented industries. It is stressed in the Strategy that the development paradigm can be changed by promoting «immediate reforms».

All 7 priorities set by the National Development Strategy «Moldova 2020» in the field of culture comprise the following steps:

- 1) favorable conditions for artists and employees of the cultural sector;
- 2) decentralization of the cultural sector and cutting costs through the increased competition in the cultural sector;
- 3) improvement of the business climate in the cultural sector;
- 4) preservation of the national culture heritage.

The Strategy sets the following core development areas:

- 1) preservation of the national culture heritage;
- 2) diversity of the services offered by state and private culture institutions;
- 3) elaboration of legal basis for the development of creative industries.

Members of the society should share some common cultural patterns. Culture defines the tolerance in the society (intercultural sensitivity), enables forecasts for future periods (planning and investments), presumes orientation on productivity (best practices and improvement of life quality) and on human capital (sympathy, attention to the needs of others). Apart from economy, the cultural sector has an important social role.

The Strategy aims at the enhanced influence of culture on the human capital as well as at the increase of the economic contribution of the cultural sector. To reach the targets of the Strategy, one needs an efficient reform of the cultural sector in terms of funding, management, protection of culture heritage as well as in terms of

the decentralization of culture institutions and expansion of the market for cultural products.

CURRENT SITUATION

The central public body in charge for culture is the Ministry of culture. The Ministry manages 16 theatre and concert facilities, 9 institutions for art education, 5 national museums, 1 culture and nature protection area, 2 libraries, 2 publishing houses, 2 printing works, 3 agencies, 6 councils and 4 specialized commissions. Apart from that, the decentralized cultural sector includes 1232 culture clubs, 1368 libraries, 107 museums, 106 out-of-school institutions for art education, 35 sections and departments for culture, 3972 amateur art collectives (including 798 «exemplary» collectives), 800 units of immaterial culture heritage, more than 10000 immovable monuments of culture heritage and 500000 objects of movable culture heritage, which presumes a huge amount of human and material resources. According to the statistical data, in 2011 the cultural sector employed approx. 14 thousand persons, the exact number of self-employed professionals in the cultural sector is unknown.

Culture heritage

The national *culture heritage* comprises the following core categories: archeological heritage, built culture heritage, movable culture heritage, immaterial culture heritage, audio and visual heritage as well as public monuments.

In the Republic of Moldova there are more than 10 thousand buildings acknowledged as monuments, 5596 of them are on the List of state-protected monuments of the Republic of Moldova (hereafter referred to as “List”) which was adopted by the Decree of the Government No. 1531-XII dated June 22, 1993.

The Law on the protection of monuments No. 1530-XII (June 22, 1993) stipulates that monuments in the Republic of Moldova are a part of the culture heritage and hence protected by the state. The preservation of monuments is the function of central and local public authorities as well as owners/managers of monuments.

The existing legal regulations cannot guarantee the proper protection of the culture heritage in the Republic of Moldova. Objects with the status of protected monuments which are on the List are not properly registered and have no inventory passports. Moreover, the List remains practically unknown to the public, but also to local and central authorities, since it was published in the Official Journal of the Republic of Moldova on February 2, 2010 only. The Law stipulates the responsibility of all administrative and territorial units of the Republic of Moldova for the compilation and adoption of the local lists of monuments as well as for the implementation of necessary measures to protect these monuments. However, these regulations are in many cases not observed. One of the main drawbacks of

this Law is that it contains no regulations on the appropriate institutional tools of the Ministry of culture for this task which should secure the implementation of the state policies in this field.

Objects of *archeological heritage* are located in all regions of the Republic of Moldova closely to or on the territory of towns as well as on agricultural and industrial land, in forests and close to water etc. In 2012 on the national level there were 7411 known archeological sites including 2428 residential locations, 70 ground fortifications, 135 necropolises and 4778 kurgans. Every year, new archeological objects are disclosed in the course of archeological works, their number can be increased by more than 20% within ten years.

For the last 20 years the national archeological heritage has not been managed and protected by the state. Uncontrolled privatization of land and building works have resulted in a complete loss of hundreds of archeological objects, hundreds of other objects are still exposed to hostile activities.

In the last 15 years archeological landscapes have been severely affected by illegal digs, individuals searching for treasures with metal detectors have found and sold dozens of coin treasures and thousands of movable archeological objects whose cultural and scientific value is hard to overestimate. These activities resulted in financial losses for the state amounting dozens of millions Euro.

At the same time, immovable archeological heritage was neither registered, nor included in the cadaster documents, nor integrated in the public services. Archeological studies suffered from chronically poor funding, lack of equipment and qualified managers as well as preservation and restoration experts.

Built culture heritage comprises approx. 3000 objects: separate buildings, architectural complexes and built environments (houses and administrative buildings, mansions and country houses, churches, cloisters, technical and industrial objects, the central part of Chisinau etc.) registered on the List.

According to the List, in the Republic of Moldova there are 2913 built monuments which are under the state protection. At the same time, the general building plans of the municipalities of Chisinau, Balti and others actually mostly the element of culture heritage. Solutions proposed in these building plans ignore or contradict the directives of the Council of Europe and UNESCO as well as international best practices in the field of monuments protection.

In 2001 the Republic of Moldova joined the European Convention on the protection of architectural heritage and the European Convention on landscapes, but the regulations of these documents have not been implemented.

The Republic of Moldova, along with other countries representing the Black Sea region and Southern Caucasus, was involved in the Regional program «Kiev Initiative» (2006). It also participates in various projects jointly with the EU and the Council of Europe, including the Pilot project «Restoration of culture heritage in historical cities».

Analysis conducted by the Agency for the inspection and restoration of monuments disclosed a complete lack of coordination between different public authorities in terms of the implementation of legislation on the protection of built culture heritage. It was also found that there were no legal precedents for punishing persons guilty of destroying or damaging built culture heritage and that law enforcement authorities were not in position to apply legally envisaged sanctions.

The current situation related to the protection of immovable material culture heritage can be described by the conclusion of the Expert Mission of the Council of Europe in Moldova (5-7 June 2012):

- a) essential and manifold culture heritage is under threat;
- b) ambitious, but sometimes constrained vision of culture heritage;
- c) existing legal basis whose implementation is poorly coordinated;
- d) motivated teams suffering from lack of personnel;
- e) active civil society with high expectations;
- f) professional training is necessary.

The lack of a single system for monuments protection in Moldova resulted in significant losses of the listed immovable culture heritage which in many cases cannot be restored. The affected objects were under the state protection and also were on the protection lists of the respective administrative and territorial units. In Chisinau alone more than 10% of the protected monuments were destroyed, and the number of objects affected by illegal activities and deliberately abandoned for further destruction is much higher. The protection area around these objects is completely ignored, though it is very important for the visual perspective and proper use of the monuments.

Methods used for the dilapidation and destruction of buildings and monuments affect, first of all, the main features of each monument – authenticity (ability to represent the respective epoch) and integrity. The most popular tricks are: objects are abandoned without basic maintenance till their complete destruction; complete or partial demolition and construction of new objects; increase of the number of floors and, hence, the change of the original features of an object; complete or partial change of wooden and metal decoration elements etc.

One of the main problems are difficulties in coordination/interaction not only between different laws and regulations, but also between authorities in charge for their implementation. There are serious coordination problems between the legal tools applied by the Ministry of culture and the Ministry of regional development and construction as well as between bodies reporting to them (Agency for the inspection and restoration of monuments and State inspection for construction). Such discrepancies pave the way for various malpractices affecting the national heritage.

Another acute problem is the unlimited access of unprofessional architects and engineers (without theoretical and practical knowledge about the protection of culture heritage) to projects affecting built monuments (conservation, restoration,

repair, adjustment etc.). One more issue is that building permits affecting monuments are in some cases granted to construction companies which have neither practical experience nor qualified personnel for handling monuments. These two factors are hindering the development of the market for the restoration of culture heritage in Moldova, partly because there is not demand for know-how in this field.

Main problems related to immaterial culture heritage are linked to its main feature – *Zeitgeist* and uniqueness. Cultural values and immaterial heritage are kept by people. Immaterial culture heritage disappears together with its physical carrier – if it was not transferred and cannot be transferred to another human.

In the last 20 years, due to the lack of funding no studies have been conducted locally to register traditions, craftsmanship and application of ancient production methods. These losses cannot be restored, because in this period the generation of the carriers of immaterial culture heritage was gone.

The main carriers of immaterial culture heritage are human communities. It's their core function to detect, register, keep, disseminate and pass spiritual heritage in its original form to the younger generation. That's why it is necessary to organize regular events to identify talented individuals in various areas who could transfer certain elements of immaterial heritage to the others and thus to save it for the future. Such initiatives are already pursued with the assistance of UNESCO (for instance, Program «Live treasures of humanity – keepers and carriers of cultural traditions»).

The Republic of Moldova has *audio and visual heritage* kept at the studio «Moldova-film», at the company «Teleradio-Moldova» and at other cultural and scientific institutions. This heritage is of high value and presents the history of Moldova and, hence, our creative potential in the respective areas.

The main challenges of the cultural sector:

- 1) constant degradation of the culture heritage of the Republic of Moldova;
- 2) lack of legal mechanisms properly protecting the national culture heritage;
- 3) lack of funding for the registration, preservation and protection of monuments.

The main problems related to culture heritage:

- 1) missing or inefficient tools for the protection of the national culture heritage;
- 2) missing institutional basis for the protection of culture heritage;
- 3) lack of human potential for the conservation, restoration and management of culture heritage;
- 4) insufficient use of culture heritage for educational and social purposes;

- 5) lack of institutions educating experts for the protection of culture heritage;
- 6) missing regulatory system for the protection and amendment of historical monuments;
- 7) private and legal persons owning immovable culture heritage are excluded from the protection of historical monuments.

Participation in cultural life

Participation in cultural life is measured by the number of the consumers of cultural events and average monthly expenditure per capita for entertainment services.

European directives on culture stipulate that expenditure on culture includes money spent on books, newspapers, cinema, theatre, concerts, museums as well as TV and radio taxes. Leisure expenditure also comprises purchase of musical instruments, cameras, material for painting as well as film-making equipment. In 2011, according to the data of Eurostat «Statistic data on cultural life», Europeans spent approx. 3,9% of their income for entertainment. The highest share of this expenditure in the household budget (5%) was registered in Denmark, Czech Republic and Finland; the lowest share of entertainment expenditure (3%) was registered in Romania, Italy and Greece.

In the Republic of Moldova the average private spending for cultural life is equal to 2% of private income tending to rise in the summer and to decline in the beginning of the year (chart 1). Actually, spending for cultural life depends on the income of the citizens. At the same time, low spending on culture demonstrates certain culture practices and tells something about the available cultural infrastructure of the country.

Chart 1

Average monthly spending for cultural life per capita in the Republic of Moldova (average monthly expenditure per capita)

Year/quarter	Average monthly expenditure for leisure activities per capita							
	I		II		III		IV	
	Lej	%	Lej	%	Lej	%	Lej	%
2009	19,9	1,8	20,6	1,7	32	2,5	26,1	2,1
2010	17,7	1,3	13,3	1	33,4	2,3	28,1	2,1
2011	19,4	1,4	19,3	1,3	31	1,9	33,4	2,1

According to the National Bureau for Statistics, private spending for cultural life in villages is equal to less than 1% of personal income, in the winter it goes down to

0,5%. Citizens spend for entertainment 10 to 35 Lej per month depending on their location (village/town) and season of the year.

Public survey data show that 58,5% of the population have not read any books in the last three months. According to the data of UNICEF, 26% of the citizens of Moldova do not have a single book at home. Citizens of Moldova spend for the purchase of books 2,2, USD per year in the average. The report of the International Program for the Support of Students for 2009 shows that 43% of students in Moldova are competent in reading and are in command of basic terms enabling them to participate effectively in social life. The majority of students possess knowledge which does not go beyond basic terms in reading.

According to the National Bureau for Statistics, only 269 citizens out of 1000 attend museums every year. At the same time, a survey conducted by the Ministry of culture shows that approx. 689 thousand citizens attend museums in Moldova, which is equal to 19% of the population (chart 2).

Chart 2

Number of museum visits per 1000 citizens (source: statistica.md)

Number and year	2007	2008	2009	2010	2011
Number of visits per 1000 citizens	217	212	219	279	269

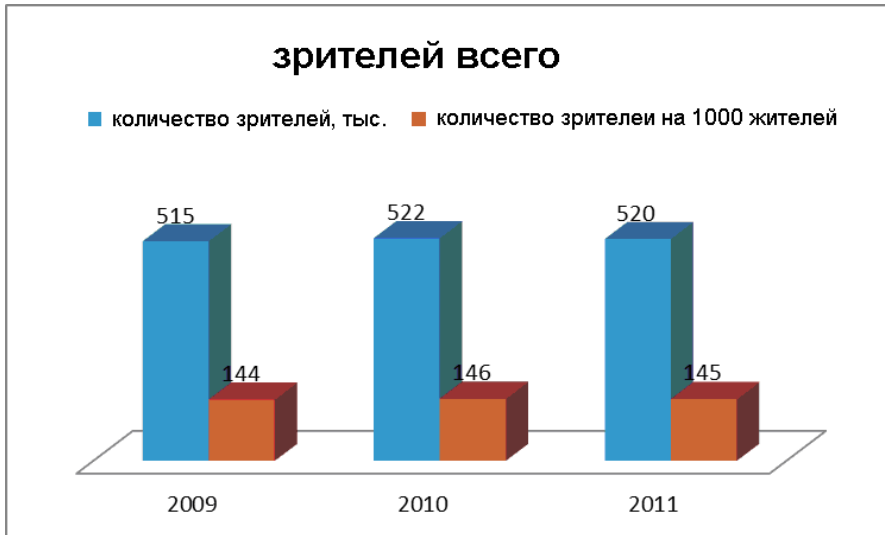
Even if the museums were attended by 20% of the country's population, Moldova would still lag behind Europe where approx. 50% of the citizens attend museums regularly.

National museums arrange special events for pupils. According to the reports of the museums for the 1st half of 2012, the art workshop of the National Art Museum was visited by 1209 persons, the folk craft workshops of the National Museum for Ethnography and Natural Sciences were visited by 109 people. In the same period, 7786 pupils and 1554 minors visited the National Historical Museum of Moldova, 149 children participated in out-of-school events. According to the analysis, museums could offer more possibilities for school and out-of-school events, if they had more space. Currently, museums do not have cooperation agreements with universities and schools which could boost this area of museum activity.

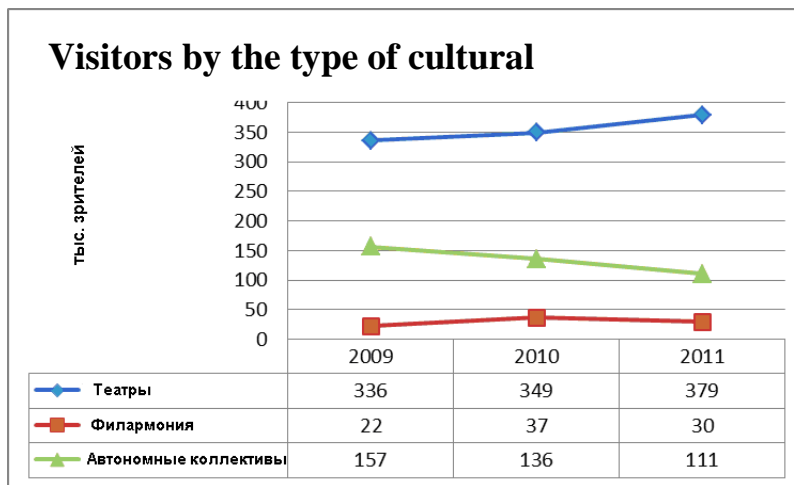
Visits to museums are important for the development of children and adults. Museums keep the collective memory of a nation and contribute to the development of ethnic, cultural, racial, religious and other kinds of tolerance.

Attendance of theatres and concert halls in the last three years is presented on picture 1.

The data show that only 14,5% of the population of Moldova attend theatres. After a surge in 2010 (7000 spectators) the attendance in 2011 went down by 2000 persons. Such a decline is observed for independent theatres and concert halls for classical music (picture 2).



Picture 1. Number of spectators at theatres and concert halls (source: statistica.md)

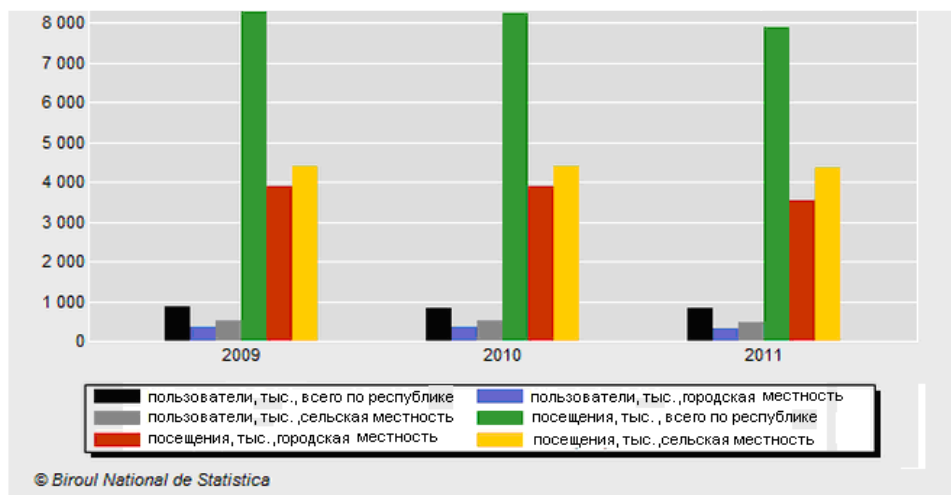


Picture 2. Visitors' breakdown by the type of cultural institutions (source: statistica.md)

The number of library visitors in villages and in towns is declining as well (picture 3, chart 3). Both the number of visitors and the number of visits are declining. At the same time, the number of library visitors in villages was 155 higher compared to towns in 2011. On the other hand, the number of on-line visitors is steadily growing. In 2012 93966 visitors were registered on the websites of national libraries, the total number of virtual library visits reached 960923. The number of online visits is growing every year. The active use of the online services of libraries makes it necessary to review the tools for library services to citizens.

Average performance of public libraries

by year



Picture 3. Performance of public libraries (source: statistica.md)

Chart 3

Library visitors by location (source: statistica.md)

		2009	2010	2011
Visitors, thousand	Countrywide	852	839	821
	Towns	346	341	333
	Villages	506	498	488
Visits, thousand	Countrywide	8287,7	8253,7	7873,7
	Towns	3880,9	3871,4	3526,9
	Villages	4406,8	4382,3	4346,8

Thus, spending for cultural life is not among the priorities of the citizens of Moldova. The consequences are clear and are shown by other surveys conducted by various organizations. The study of the Soros Foundation «Perception of discrimination by the citizens of the Republic of Moldova: opinion poll» conducted in 2011 shows that interviewed citizens consider the following groups to be most affected by discrimination: individuals with mental and physical handicaps (68% and 66% respectively), financially challenged individuals (59%), HIV-infected individuals (56%), seniors (50%), homosexuals (49%), gypsies (48%) and women (32%). Only 83% of the interviewed consider trust to other people and respect for the culture of other nations important or very important to themselves. 80% of the interviewed consider homosexuality as negative and would even wish a homosexual as a neighbour. The same attitude prevails for gypsies (only 40% of the citizens would agree to have gypsies as neighbours).

The challenges for the cultural sector in terms of citizens' participation are:

- 1) low reading competence results in the incapability of most citizens to actively participate in the social life of the country. The productivity of these citizens is low, which affects their income and the economic growth of the country;
- 2) extremely low consumption of cultural events, especially in the winter and in villages;
- 3) low number of library and museum visitors due to the outdated services and leisure forms;
- 4) low efficiency of culture clubs where citizens could usefully spend their leisure time;
- 5) lost connection between culture and education – 21 years after gaining independence culture and education operate separately and have little influence on the development of the country's human capital.

Problems detected by the analysis:

- 1) low culture spending per capita;
- 2) low consumption of cultural products in the society;
- 3) missing connection between cultural and educational policies.

Access to cultural products

Access to cultural products is determined by the available physical and virtual infrastructure as well as by the available supply in this field.

Geographical access to culture objects

The geographical distribution of culture institutions in Moldova seems to be relatively healthy at first sight: Chisinau – 107, North – 1024, Centre – 1054, South – 556, autonomous region Gagauzia – 76 (chart 4). However, many objects, especially libraries, are dilapidated or have no electricity, heating and other utilities to work properly. That is why it is necessary to create a proper infrastructure to secure access to cultural products for citizens.

Chart 4

Geographical distribution of culture objects monitored by the state (source: Ministry of culture)

Regions	Objects	Culture clubs	Libraries	Museums	Theatres	Craftsmanship centres
Chisinau	107	27	51	12	17	0
North	1024	467	475	57	2	23
Centre	1054	469	528	35	1	21
South	556	240	287	19	1	9
AR Gagauzia	76	27	40	8	1	0

Condition of the buildings

In the years 2009 till 2011 local public authorities financed the overhaul of 281 culture clubs, 1174 culture clubs underwent current repair. The total repair expenses amounted 145,6 mio. Lej. Investments into the infrastructure are effected faster every year, but 73 culture clubs are subject to possible emergencies, 536 culture clubs need to be overhauled. Minor repairing works are not sufficient for them. To make these objects operational again, they need a new modus operandi. The adjustment of these building to new activities can demand additional investments.

The analysis of the condition of libraries shows that 759 libraries need current repair, 574 libraries do not have heating systems, 51 libraries need to be connected to the electricity supply network. To make the libraries operational, 903 libraries need to receive furniture, 1039 libraries need to be connected to fixed phone lines. To secure basic working standards for the libraries, the expenses for them should amount 80,4 mio. Lej. The highest costs are related to the purchase of books.

The Ministry of culture manages 9 educational institutions: 3 lyceums, 5 colleges and one higher education institution. Their buildings need to be overhauled. The problems are the same: roof repair, drainage and water supply systems, heating, repair and adjustment of the front side of the buildings and class-rooms, repair of meeting halls/sports halls, replacement of doors and windows. Canteens, if available, are equipped with outdated appliances. These institutions provide professional art education with the lectures taking 8 to 10 hours a day, that's why it is important to create proper conditions for the students.

The buildings of the national museums belong to the culture heritage of Moldova and need to be restored. The total restoration costs amount 104 mio. Lej. In the years 2006 to 2012 47,4 mio. Lej were provided.

The condition of some theatres and concert halls does not allow them to work properly. The buildings of the National Concert Hall named after S. Lunkevich, Theatre named after B.P. Khashdeu in Kahul are in critical condition. The Ethnic folk-theatre named after Ion Kryange needs the renovation of the performance hall. The total sum needed for the repair/renovation of the buildings amounts 127,4 mio. Lej.

In 2011 the studio «Moldova-film» had net assets amounting 30,3 mio. Lej, including the charter capital amounting 28,4 mio. Lej. The studio has a big building demanding comprehensive maintenance and 6 ha of land, 2000 sq. m. of premises are leased for offices or warehouses. Public funding was insufficient for the modern equipment of the studio. Funding for one studio only did not contribute much to the development of all film-making facilities. As a result, film-making in Moldova is underdeveloped, though Moldova does have creative and human potential in this field.

Virtual infrastructure

According to the data of the Bureau for the audit of published media and Internet, the number of Internet users in Moldova is steadily growing. In December 2012 there were 1615817 registered Internet users in Moldova, which is 56741 persons more compared in September of the same year. Thus, the penetration rate of Internet is 54,31%. In 2010, 37% of the households possessed personal computers. According to the Ministry of information technologies and communications, the number of households with computers in the central region is substantially higher compared to the other regions. 27% of the households have access to the Internet. One of ten households has access to broad-band Internet with a fixed connection. In most cases citizens log in at home, one of four users logs in at his friends' places.

The data of the Ministry of information technologies and communications show that the implementation of IT-technologies in the cultural sector is relatively low and at the same time uneven. Only 28% of the culture institutions in Moldova are equipped with computers, 22% have access to the Internet, 10% have their own websites and 8% publish their catalogues online. 33% of the employees use computers in their daily work, including 29% using web-resources.

In 2012, the National program for the implementation of IT-technologies in culture was adopted which includes the development of e-services for citizens as well as the strengthening of the virtual infrastructure of the culture system. The digitalization of movable and immaterial culture heritage is partially complete thanks to the efforts of public institutions. At the same time, the digitalization of immovable culture heritage is still an unsolved issue. There is still no electronic system available which could help to create a common network similar to a virtual museum.

The access of citizens to cultural services and products is a necessary condition to boost consumption of culture and to increase revenues of culture institutions.

The challenges in this field are:

- 1) cultural infrastructure needs to be repaired and adjusted to the current realities;
- 2) need for the digitalization of cultural products and goods;
- 3) increase of the number of Internet users for the development of online culture services.

Problems detected by the analysis:

- 1) missing development opportunities for public-private partnership to make buildings of cultural objects operational;
- 2) missing common software for museums to digitalize their collections;
- 3) low number of libraries in villages having Internet connection.

Quality of cultural products

The quality of cultural products is measured by the book funds of libraries, national museum collections, number of temporarily closed/restored/renovated objects of culture heritage, contribution of the cultural sector to the GDP and citizens' participation in cultural events. All this fosters the social influence of culture and hence the sense of social solidarity, social inclusion etc..

Data on the contribution of the cultural sector to the GDP and export of culture services can be found in the sub-chapter «Economic analysis of the cultural sector», data on participation can be found in the sub-chapter «Participation in cultural life».

Book fund of libraries

According to libraries' reports, their book funds are updated every 57 years at the average, but UNESCO-standards require the actualization of the libraries' funds once per 7 to 10 years. Average expenses per capita for the purchase of new books by libraries are 3,30 Lej, reaching the maximum of 5,6-7,5 Lej in some regions and the minimum of 0,5-0,9 Lej in other regions. The limit set by the Ministry of finance for the actualization of libraries' funds is 7 Lej per capita.

Purchase of books for libraries is equal to 0,08 book per person, whereas the value recommended by IFLA/UNESCO is 0,25. The average time frame for the actualization of library funds (57 years) and their turnaround time (1,2 years) prove that information sources available at the libraries are severely outdated and do not meet the needs of users requesting new, innovative, mobile and user-friendly services. For example, approx. 50% of all funds of the public libraries meet the readers' requirements; the rest is printed in Cyrillic letters.

The development of IT-technology in Moldova is unevenly spread, the existing differences between libraries depends more on property form and financial power of the founders than on respective national policies and regulations. Out of 1383 public libraries working in Moldova in the beginning of 2011, only 238 (17,2%) were equipped with computers, only 149 (10,8%) had Internet connection (i.e., 62,6% of the libraries equipped with computers), only 47 (3,4%) public libraries had their own websites. Quite alerting is the poor IT-equipment of libraries in villages compared to libraries in towns. Out of 1218 libraries in villages, only 142 (11,6%) have computers, 67 (5,5%) of them have Internet connection and only 12 (1%) have their own websites.

In 2010 the National digital library «Moldavica» was open which is a central data base comprising patrimonial documents included in the register of the national program «Memory of Moldova». This data base is a part of the European digital library. In 2012 the pilot project Global libraries «Novateca» was launched, one of whose aims is to equip more than 1000 district and village libraries with appliances for public access. The project will be implemented step by step and stipulates the transformation of libraries into communication and information centres. In 2013,

68 public libraries from 8 districts were equipped with computers, information/training centres for the employees of libraries were opened.

According to the opinion poll «Reporting cards for citizens. Republic of Moldova (2011)», 55% of the interviewed citizens propose to improve the funding of libraries, 21% propose to upgrade the qualification of the employees, 14% propose amended organization/reorganization of the libraries' premises, 7% propose to secure access to properly collected information, 3% would like the library staff to be more polite. According to this study, demand for the services of public libraries is 5,5%, lying between hospitals/family doctors (39,3%) and district councils (1,0%).

Vulnerable groups of citizens are confronted with the most significant problems regarding availability and quality of library services. In this context, services for these groups become key factors for the improvement of accessibility and services. According to various surveys, only 7% of interviewed citizens have access to public libraries via the Internet. The alarming signal for libraries is the very low number of citizens (3%) using the Internet in libraries. In this point libraries rank last among 30 institutions providing public services. To receive library services, 94% of the interviewed citizens attend libraries, 9% give a call to the library and 4% use e-mail or visit the websites of libraries.

The national network of public libraries will have to review its strategies for attracting visitors, actualize its book fund and develop IT-technologies.

Built culture heritage

According to the report of the Agency for the inspection and restoration of monuments (body reporting to the Ministry of culture), in 2012 monuments were inspected in 13 districts and 3 municipalities of the Republic of Moldova. 1563 monuments, churches, mansions, cloisters, wind mills, bridges, memorial houses and other objects were inspected in total (chart 5).

Chart 5

Condition of immovable culture heritage in 2012 году (source: Agency for the inspection and restoration of monuments)

Monuments	De- stroyed	Severely damaged	Di- lapidat- ing	Critical condition	Satisfactory condition
Mansions	1	17	3	14	13
Residential houses	1			13	34
Memorial houses					9
Cloisters				8	10
Churches	19	4		31	152
Civil architecture objects	1	7	3	19	33

Industrial objects	1	1	1	3	5
Public monuments			1	1	54

In the period from January 2010 till September 2012 the historical centre of Chisinau was inspected which has the status of a national monument, as well as 977 building protected as monuments. It was detected that 85 buildings registered as protected monuments had been demolished (44 buildings in 1995-2006, 41 buildings in 2006-2012), in 155 buildings registered as protected monuments structural changes had been made affecting their authenticity, integrity and their protection areas. 20 buildings were found to be about to collapse. Thus, 260 buildings had been destroyed or demolished. Serious violation of the authenticity and integrity of the historical monuments in Chisinau and in the whole country can result in the loss of culture heritage in the near future.

At the same time, historical monuments preserved in line with European policies can become important contributors to the sustainable development of the local communities as well as main development drivers for the domestic and international tourism raising civil engagement.

Museum funds

In 2011 the core funds of the national museums listed 411813 objects, which is 6146 more compared to 2010. Most pieces from the museum collections are gifts, the rest is purchased by the state. At this stage, the budget of the Ministry of culture does not have funds for the purchase of new pieces for the collections of movable heritage. Purchase is financed from the funds meant for the purchase of fixed assets, goods and services not listed in the other sub-positions amounting 5-8% of allotted funds per year (chart 6).

Chart 6

Expenses for the purchase of new collection pieces (thousand Lej) (source: reports of national museums)

(thousand Lej)

Expenses	2008	2009	2010	2011
Public budget	389,6	165,2	0	400,0
Special budget	635,4	1092,7	186,7	286,8
Total	1025,0	1257,9	186,7	686,8

Sums listed in these budget lines are not sufficient; there is no transparency in public spending on museum collections acknowledged as national treasure with its added value rising every year. Missing budget lines for the purchase of new collection pieces proves that the valid accounting system is rigid and does not respect branch specifics. Such an approach in the accounting makes it difficult to

monitor the efficiency of the management of funds allotted for the purchase of museum pieces.

Out of 538778 items kept by 5 national museums 48860 (9,3%) need to be renovated. But storage rooms at museums are poorly equipped and do not secure proper storage conditions. An acute problem is the lack of qualified experts for the restoration of movable heritage as well as lack of properly equipped laboratories. Despite these challenges, museums manage to restore approx. 1000 pieces of movable heritage per year.

Cinema heritage

Along with the persisting economic problems resulting from the transition period, the film-making industry of Moldova suffered a substantial decline. Transformation into a market economy gave birth to private film-making studios like «SINM» (1992), «OWH Studio» (1995) and others, but the investment climate in the industry still leaves much to be desired. Investments in film-making require a long-term commitment.

In the last 20 years the network for film distribution and presentation has been destroyed. Some cinemas were privatized or are about to be privatized, but the new owners in most cases do not supply them with new equipment. Thus, most cinemas in village and district towns are suffering from further degradation.

The film studio «Moldova-film» possesses an archive comprising more than 700 films: 160 fictional films, 110 cartoons, 240 scientific films, 120 satirical films and more than 100 documentaries about «Soviet Moldova». These works are not acknowledged as culture heritage, including the economic aspect of it. There is no digital archive of cinema works.

In 2004, the Law No. 386-XV on cinema was adopted on November 25, also the development strategy for film-making in Moldova for 2004-2007 was approved (Decree of the Government No. 1322 dated November 30, 2004). However, clear policy for the development of cinema art is still missing, the mentioned law does not work.

The market of culture industries in the Republic of Moldova is still in its infancy due to the long-lasting social and political transition and unfavorable economic conditions. For the lack of an effective support mechanism for the domestic film-making industry, many initiatives get stuck on the project stage.

Taking into account the adverse situation in film-making, state intervention to create a basis for the proper quality of cultural products (libraries, museums, culture heritage) is more and more needed. The strengthening of the material basis to develop the entire cultural sector is a necessary condition.

In terms of the quality of the cultural products and cultural values, the cultural sector has the following challenges:

- 1) further degradation of the national culture heritage;

- 2) lack of library funds able to attract readers as well as lack of funding for the purchase of new culture heritage pieces for museum collections;
- 3) wrong approach to the distribution of funding for the purchase of books;
- 4) devaluation of film-making compared to other cultural industries.

These challenges lead to the following problems:

- 1) lack of effective mechanisms for the allotment of funding for the purchase of books;
- 2) lack of funding for the development of museum collections;
- 3) low efficiency of the legal regulations meant to protect material and immaterial culture heritage.

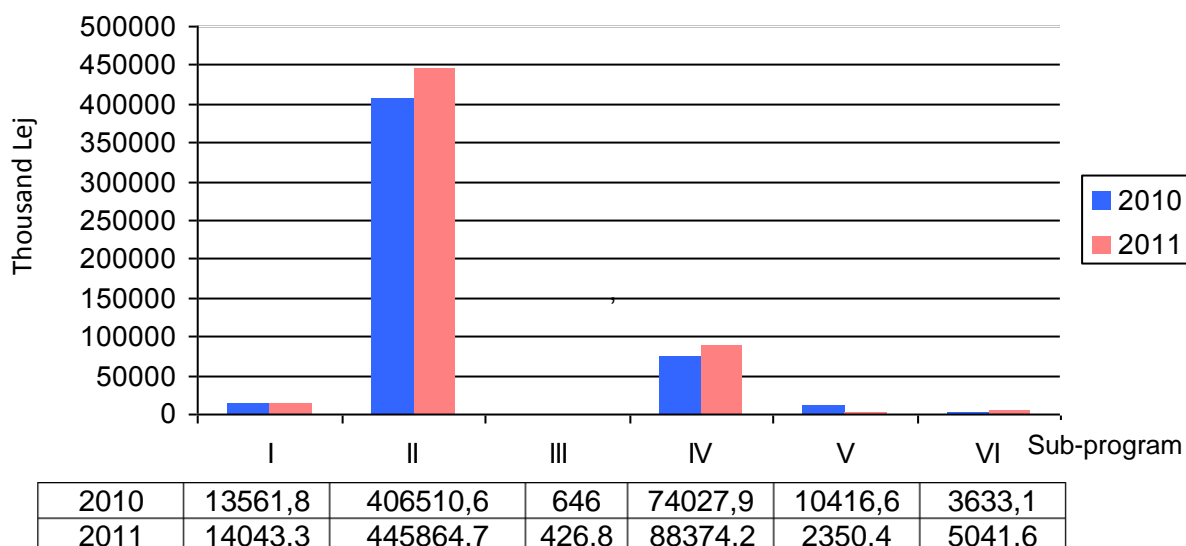
FINANCING OF THE CULTURAL SECTOR

Expenses in the cultural sector cover the activities of culture institutions reporting to the Ministry of culture, Ministry of education (art education), Coordination council for television and radio, local public authorities, national and regional radio broadcasting companies (company «Teleradio-Moldova», company «Teleradio-Gagauzia»). The biggest share of the costs is carried by the local public authorities. The cost analysis shows that more than 50% of the resources are spent for the maintenance of the building and remuneration for the personnel. Funding for development is very modest (this is the case with theatres and libraries) or missing (museums, culture clubs). Financial problems of the cultural sector are first of all related to the budgetary system in general which does not offer incentives for high performance and thus does not foster development. Before 2010 public funding was available exclusively for state programs and projects. Starting from 2010, the Ministry of culture created a fund for the support of NGOs in the field of culture. But this fund, as well as culture financing in general, does not meet all needs of the culture institutions. Current data show that the market of the cultural sector is not developing.

Starting from 2010, the main document for budget policy in the cultural sector is the middle-term Budgetary forecast made by the Ministry of culture together with culture organizations and the associative sector for the next three years.

According to this forecast, the Culture Program for 2013-2015 includes the following sub-programs:

- I. Development of management policy for culture;
- II. Culture development;
- III. Protection of the national culture heritage;
- IV. State support for public television and radio;
- V. Support for the culture of writing;
- VI. Control of television and radio institutions.



Picture 4. Distribution of funding by sub-programs

In 2010 and 2011 the cultural sector received the highest funding ever for its development (445864,7 Lej in 2011). The reason for that is the priority of the contemporary art development as a mean for the promotion and establishment of the national culture as well as for the promotion of a performance-oriented system in culture management. This sub-program for culture development covers all culture institutions reporting to the Ministry of culture and local public authorities. As said above, the main expenses in this field are salaries and maintenance of the infrastructure. The funding scheme for the culture institutions goes back to the Soviet model of resources distribution based on the number of employees instead of performance. For institutions which are a part of the cultural industry (theatres, concert halls) such an approach blocks development and hinders funding for other important culture branches.

At the same time, one of the most important sub-programs with development potential is the protection of the national culture heritage which only receives a fraction of the necessary funding.

Rigid financing regulations for the cultural sector do not allow to distribute funds for the development of an efficient and free culture market. Also, there is no fund for the promotion of artists and cultural products. The fact that most theatres and concert halls are managed by the Ministry of culture makes their development impossible. The state does not consider culture institutions (museums, theatres, concert halls) as a revenue source and underestimates their business potential and capacity for image-making. At the same time, international practices confirm that the cultural sector can generate approx. 6% of the GDP (EU, Australia and others). The financing of the cultural sector has the following problems:

- 1) there is no flexible financing model which could distribute funds for the development of the cultural market;
- 2) centralization of the cultural sector destroying equality necessary for the development of private culture institutions having no access to state support;
- 3) lack of special programs for the development of creative branches except for the modest support of publishers through a special program;
- 4) missing funds to support mobility of artists and promote cultural products.

Other problems related to culture financing:

- 1) outdated financing mechanism which does not foster competition;
- 2) complicated and hence expensive infrastructure;
- 3) managers are not capable to manage funds and generate additional revenues;
- 4) excessive centralization hampering the business-oriented development of the cultural sector (theatres and concert halls).

MANAGEMENT OF CULTURE INSTITUTIONS

For 20 years culture management in Moldova has been confronted with a crisis both on the level of central public administration, which is missing tools for the support of culture institutions in the environment of decentralization, and on the level of the culture institutions themselves, which do not have necessary management capacities. The mentality of the employees of culture institutions is still impacted by the idea of state interventions, since the state used to be in charge for all aspects of the cultural sphere. There are also low capacities for financial management and business-oriented promotion of cultural products.

Thus, opinion polls conducted by museums in previous years clearly show points to be changed in order to attract more visitors. However, the museum management is still outdated. Museum managers do not even consider museums as potentially interesting for business objects which could exert an economic impact in the country. Museum directors are designated by the Minister of culture for an unlimited period, their performance in terms of planned/implemented activities is not assessed.

Museums in Moldova still do not have plans for the promotion of their cultural product, they have never offered services for the organization of cultural and scientific events, there has been no separate budget for the promotion of cultural products including the position of a promotion manager. IT-technologies are implemented with their own resources which are different depending on respective museums, the quality of the scanned books is doubtful. It means that one of the most important modern tools for the attraction of visitors is not being used by the museums. Museum personnel is not ready for changes in terms of commercial management.

According to the opinion poll on information campaigns related to the work of museums conducted by the Ministry of culture in 2012, most interviewed persons show no interest in museums (21,3%) or visit them sporadically without any special interest for museums or their events (40,6%). Only 38% of the interviewed persons say they visited museums being informed in advance on the respective exhibitions and events, 22% visited museums for the sake of particular exhibitions, 5% of museum visits are motivated by scientific work, other citizens claim they visit museums just to familiarize themselves with the respective collections (51,5%) or to show museums to their children (12,2%), 1,9% of the interviewed get to know about the exhibitions thanks to events organized by museums, 7,3% happen to visit museums after their friends' recommendations.

The lack of efficient management at theatres which actually could be promoted by a decree setting priorities and basis for the development of theatres is also turning into a burden for the humble budget of the country. This constrains development opportunities for theatres as for elements of the cultural industry as well as for their adjustment to the principles of free financing for cultural activities and to the European culture priorities. The Law on theatres, circuses and concert organizations No. 1421-XV (October 31, 2002) sets a wrong procedure for the designation of theatres' directors who are hired by the Ministry of culture with or without a selection out of several candidates for 5 years. The art directors of theatres are hired on a contest basis by the theatre's director with the consent of the Ministry of culture.

Theatre marketing is one of the most important elements for the development of theatres, attraction of consumers and growth of the number of spectators. Currently, the theatres do not have a budget for marketing and communications and do not have a marketing plan assessing the participants of the cultural markets and setting clear tasks. This constrains possibilities to keep the existing and to attract new spectators, to identify cultural needs/values of the citizens, to implement new trends and thus to develop the overall development of the theatrical industry. Another missing element is the awareness of the importance of marketing and communication among theatre directors. Ticket sales are a key criteria for the success of the performance programs which can be secured by marketing tools. However, the analysis shows that ticket sales is actually the weakest revenue source for theatres (chart 7).

Chart 7

Revenues of the theatres reporting to the Ministry of culture (source: reports of the theatres)

(thousand Lej)

Theatres	Revenues from ticket sales	Revenues from rent
National theatre for opera and ballet	2158,1	2163,0

Theatre «Luceafărul»	677,3	1017,1
Theatre «Licurici»	597,0	1496,7
Russian drama theatre named after A.P. Tchekhov	1987,5	330,9
National theatre named after Mihaj Eminescu	524,4	1165,7
Theatre named after Eugene Ionesco	1053,7	-
National theatre named after Vasile Alexandri, Belti	529,5	321,6
Centre for culture and art «Ginta Latină»	1159,5	1580,9
Theatre named after Alexey Mateevich	56,1	114,9
Musical republican drama theatre named after B.P.Khashdeu, Kakhul	221,5	0
Epic theatre for ethnography and folklore named after Ion Kryange	12,8	0
National concert hall named after Sergey Lunkevich	507,4	1006,7
Organ hall	340,7	43,4
Concert and producing company «Moldova-Concert»	1955,5	591,5
Academic folk-dance group «Joc»	883,1	0
Theatre-studio «From Rose street»	555,6	0
Total	13219,7	9832,4

A similar situation is typical for all culture institutions. As a result of the encrusted model deprived of any financial incentives, management at culture institutions needs new approaches to be offered by the state and by the managers themselves. The lack of mechanisms for the management of culture institutions makes it necessary to educate the administrative staff of culture institutions in culture management/marketing. The directors of culture institutions do not have qualifications necessary to promote the cultural product on the market.

The main challenges in this context are:

- 1) administrative crisis at all levels;
- 2) missing plans for management/product promotion at culture institutions;
- 3) ineffective mechanisms for the selection of the theatre directors;
- 4) business aspects in the work of theatres are being ignored.

Problems of the cultural sector in the field of management:

- 1) low qualification in financial management;
- 2) low qualification in the promotion of cultural products;
- 3) low fund-raising capacities of the Ministry of culture and culture managers;
- 4) lack of an effective mechanism for the monitoring of the institutions reporting to the Ministry of cultures.

HUMAN RESOURCES

Salaries in the cultural sector belong to the lowest compared to other branches of the economy, though they were slightly increased in 2011 (chart 8).

Chart 8

Salaries in the cultural sector in the years 2009 to 2011 (source: National bureau for statistics)

(thousand Lej)

Salary by branches of the economy	2009	2010	2011
Institutional sectors in total	29196,5	31445,8	34914,4
Entertainment, culture and sports events	505,3	554,2	624,5
Share	1,73	1,76	1,79

In the cultural sector, the average salary is 1800 Lej, the price of the minimal market basket in Moldova is 1503 Lej. Compared with the average salary in other branches of economy which was 3583,7 Lej in the first quarters of 2012, employees in the cultural sector earned 1580 Lej on the average. The lowest salary is paid to the employees of culture clubs (900 Lej per month), libraries (1590 Lej) and museums (1584 Lej). Thus, the salary of the employees of the state culture institutions is approximately equal to the minimal market basket, which in no way motivates the development of the cultural sector. Due to the low salaries, 144 employees (out of 4059 employees working in 2010) of the state cultural institutions quit their jobs in 2011. Most employees leave libraries and museums. If the outflow of qualified personnel from the cultural sector keeps its pace in next years, the cultural branch will most probably collapse.

On the other hand, all institutions can use special funds to remunerate their employees. In this sense, scarce management and marketing qualifications of the directors of the culture institutions result in low revenues which make it impossible to raise the salaries.

Basic education of the employees in the cultural sector

The Ministry of culture manages 9 educational institutions for music, theatre, choreography and painting: Academy for music, theatre and painting, 5 colleges and 3 lyceums employing 895 teachers and accommodating 3044 students (3195 students on the average as per December 31, 2012). Educational institutions in the cultural sector report both to the Ministry of culture and Ministry of education, the latter defining legal basis for all educational educations in Moldova.

On the average, the Ministry of culture is providing 41,7% of the necessary funding to the 9 institutions for art education. State funding for them is rising every year. In 2011, the expenses of these institutions increased by 4338,5 thousand Lej.

This rise of expenses is related to the rising expenses per student. In 2011, the average expenses per student at the Academy for music, theatre and painting were 27378 Lej, which was 322,4 higher compared to 2010. It is worth mentioning that college education per student costs the state 721,4 Lej, which seems surprising. The average expenses per student at higher education institutions in 2009 were 6802 Lej; at the Academy for music, theatre and painting they were 25847,5 thousand Lej. This difference is also clear when checking expenses per student at colleges. At the national level these expenses in 2009 were 8709 Lej, at art colleges they were 18016,6 Lej. Differences in the expenses per student can be explained by the specifics of art education.

Comparison of expenses for different levels of education show that institutions for art education are in line with the trends of the entire educational system. Expenses per student at professional schools (36480,5 Lej in 2013) are higher compared to the institutions for higher education (35805,1 Lej per student in 2013).

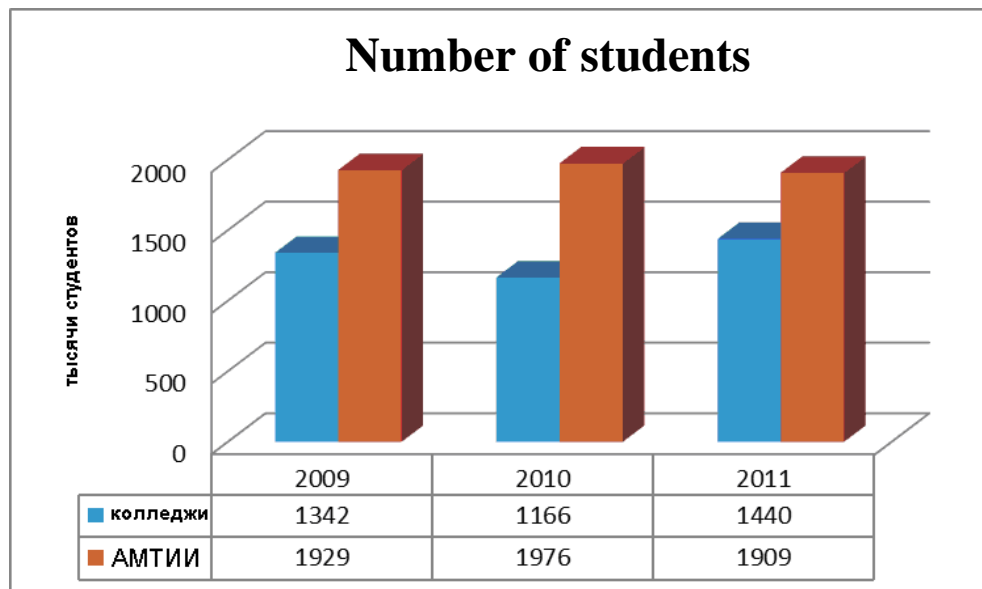
Additionally to state funding (main elements), educational institutions can collect revenues from tuition fees. The study «Educational system in the Republic of Moldova and the Bologna process in 2005-2011» conducted by Soros Foundation shows that differences in the increase/reduction of expenses at educational institutions depend on funding sources. For instance, the Academy for music, theatre and painting is demonstrating a gradual increase of expenses funded by tuition fees (119,34% in 2005-2010). The chart shows that revenues from additional sources are too low for the art education institutions. The revenues of colleges from additional sources in 2012 covered 8,8% of their total expenses; at the Academy for music, theatre and painting such revenues covered 17% of the total expenses.

In 2010, the share of the Academy's expenses from special sources was just 12,40%. Given this, it can be said that the Academy depends on state funding.

Compared to the other institutions in Moldova, the art education institutions can't sign many contracts about education against fee (compared, for instance, to the Economy Academy of Moldova, State University of Moldova or colleges specializing in economy, IT or law).

The system of higher education in the Republic of Moldova now has financial autonomy. Due to this, one day the closing of the only higher education institution for arts can be suggested. At the same time, education costs for the students of the Academy are the highest compared to other universities.

As per December 31, 2012, 3195 art students were admitted to all levels and forms of education, 1909 students study at the Academy for music, theatre and painting. Picture 5 shows that the number of art students is going down every year which makes it difficult to preserve and develop the cultural sector in Moldova.



Picture 5. Number of students at institutions for art education (source: statistica.md)

Decrease in the number of art students has to do with low employment opportunities and with extremely low salaries in the cultural sector (average salary - 1850 Lej per month) as well as with the low flexibility of the educational system in terms of the demand on the job market and the needs of the students. For example, the Academy for music, theatre and painting does not participate in mobility programs stipulated and supported by within the Bologna process and European directives on culture.

Capacity building for the employees in the cultural sector

The Republic of Moldova does not have a clear concept or structure for the professional development of the employees in the cultural sector. Interviews with the employees of various culture institutions (theatre, music, culture clubs, museums) make it clear that there is an acute need for the constant professional training in this field.

State funding which is sufficient only for the current maintenance, but not for the development of the cultural sector, results in the low capacity of the managers of culture institutions to upgrade the qualification of their employees through courses for continuing training. The lack of specialists for the restoration of certain types of culture heritage as well as missing funds for hiring foreign experts affect the quality of restoration works and attractiveness of the respective exhibitions. Even if museums employees are highly qualified, they often quit because of low salaries, and museums lose their valuable personnel.

International reports point out the importance of developing management qualifications among higher level officials and employees in each branch of the cultural sector. Solutions proposed by international experts are as follows: elaboration of development strategies for sectors/branches/institutions; promotion, fund-raising and development of partnerships; marketing studies and inclusion; project management, planning of transaction and leadership; communications and public relations; development of qualifications in IT-technologies. The experts also mention areas where the qualifications of the employees should be developed: culture heritage (protection, preservation, restoration); museums, libraries, cinemas, culture clubs.

In terms of human resources, a reform and modernization of art education as well as creation of conditions for the continuing education of managers and culture employees are needed which would contribute to the development of a viable cultural sector.

The cultural sector is the only one in the Republic of Moldova where professional artists work as freelancers. In other countries they enjoy social protection and tax incentives. In Moldova there is no clear concept for the status of professional artists working as freelancers, and there is no proper insurance system for them.

Human resources are the basis of the development of the cultural sector. At this level, the **challenges for the cultural sector** are as follows:

- 1) discrepancy between the qualification of the employees and the requirements of the job market;
- 2) missing system for continuing education;
- 3) low salaries provoking artists and employees of the cultural sector to quit their jobs;
- 4) missing business-oriented approach and high expenses per student resulting in insufficient funding.

Current problems:

- 1) qualified employees leave the cultural sector because of low salaries;
- 2) there are no centres for the continuing education of the managers and employees of culture institutions;
- 3) outdated structure of art education which does not deliver the proper education quality in the cultural sector.

ECONOMIC ACTIVITY OF THE CULTURAL SECTOR

Analysis at the national level makes clear that the economic development of the Republic of Moldova is based on consumption, which is also the case for culture institutions. According to the report «Cultural Policy Landscapes», expenses for the cultural sector in 2009 accounted only for 1,0% of the national budget. According to the National bureau for statistics, entertaining and cultural events in

2011 accounted for 0,3% of the country's GDP, which is similar to the health service and education. The impact of cultural services on the country's economy now is almost invisible in terms of employment and revenue. Hence, cultural services are considered as a supplementary activity only.

There are more than 1000 registered organizations in Moldova which provide cultural services or present cultural values. Most of them are not consolidated into a structured network and can't provide relevant statistic data; that's why it is hardly possible to assess the contribution of the cultural sector to the GDP.

Based on companies' data submitted to the National Bureau for Statistics, the retail sales of books, newspapers and magazines was 2210,3 thousand Lej down compared to 2010 (picture 6). This confirms the decrease of interest for reading and books as well as the low financial power of the citizens.



Picture. 6. Retail sales of books in the Republic of Moldova (source: statistica.md)

The sales of antiquarian articles in 2011 were 740,5 thousand Lej up compared to 2010 and 1474,8 thousand Lej up compared to 2009. Such an increase offers opportunities for the development of this business area (picture 7).



Picture 7. Retail sales of antiquarian articles (source: statistica.md)

Services to the citizens in the cultural sector amounted 779,6 mio. Lej in 2011, which is 255,5 mio. Lej more compared to 2010. Though the contribution of the cultural sector to the total volume of services in all branches is pretty modest, we still think that this performance is an incentive for the further overall development of culture.

The contribution of small and medium-sized companies in this area in 2011 accounted for 33,6% of the total volume, which is an increase by 1,3% compared to 2010.

Business activity in the advertising branch is regulated by the Law on advertising No. 1227-XIII dated June 27, 1997. This branch is now developing rapidly, the number of customers is rising by 25-40% per year. There are now more than 200 agencies in Moldova providing advertising services.

Only few international advertising agencies are now working in Moldova, but the market and revenue dynamics look quite promising for international companies.

In 2006, the volume of the advertising market was more than 14 mio. USD. 80% of the financial resources involved in advertising in Moldova originate from abroad. They are the source for salaries and employment, thus contributing to the increase of consumption power in Moldova. However, the advertising market in our country is lagging behind the neighboring Romania and Ukraine.

Economically active craftsmen in traditional arts (ceramics, decorative weaving, decorative stone-processing, processing of leather and wood, manufacturing traditional tools, knitting with plant tissue etc.) can make a substantial contribution to the business development in the cultural sector. Most problems in the development of handicraftsmanship in the Republic of Moldova are related to the lack of demand, import of raw materials, wrong evaluation of artworks, craftsmen being classified as usual entrepreneurs without any differentiation and respect for

the specifics of this branch as well as the lack of a procedure for assigning the title “handicraftsman”.

Development of handicraftsmanship and manufacturing of traditional artworks is directly linked to the development of certain types of inbound tourism, especially village tourism. However, travel agencies, guest houses in villages and culture institutions show little drive to efficiently cooperate with handicraftsmen. Measures to boost handicraftsmanship are required, among them are support for the creation and activity of specialized manufacturing facilities for handicraftsmanship in applied and folk-art, their inclusion in touristic routes, creation of marketing entities to promote sales of their products in various shopping networks and culture institutions.

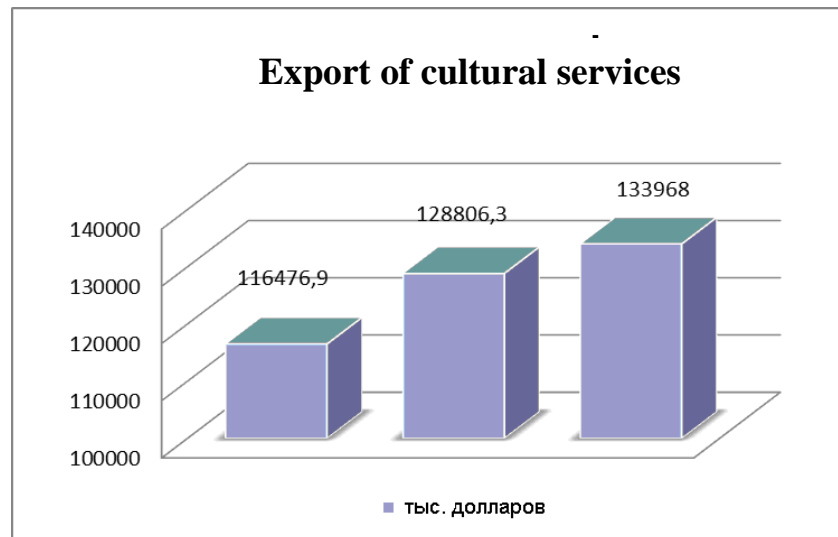
The period of transition from the centralized system to market economy triggered the reform of the institutional system in visual arts. The number of orders went down, especially of those coming from the Art Foundation of the Visual Artists Union. The rent fees for studios went up with artists having problems receiving new studios, since they are not built anymore.

The lack of market for artworks led to the massive migration artists and to the transfer of their works abroad. Thus, professional artists were liberated from ideological pressure, but found themselves under the burden of economic problems. The number of sold artworks and the revenues of artists are scarce. However, the liberalization of the economy, abolition of ideological censorship and administrative barriers have contributed to the diversification of the formats for artists to consolidate themselves.

The indirect contribution of the cultural sector is mostly related to tourism. According to the National Bureau for Statistics, 54,6% of 10,8 thousand foreign tourists who visited Moldova in 2011 via travel agencies came to the country for rest, health recovery and leisure, which is equal to 11748 tourist days. Domestic tourism in 2011 accounted for 37,8 tourists, which is an increase by 6,1% compared to 2010. Based on the assumption that foreign tourists stayed in Moldova for at least one night at hotels with the rate 250 Lej per night or bought meals costing 200 Lej per day, the revenues of the accommodation facilities in 2011 should be 1468500 Lej, the revenues of restaurants in the same year should be 2349600 Lej.

However, the impact of the cultural sector on the overall economic performance has not been calculated yet. We need to review the statistics and methods for calculating revenues in tourism. Worldwide, the cultural sector is considered as an important element of the economic system. Cultural industries include concert and theatre institutions, advertising, books and media publishing, handicraftsmanship, design, architecture and new media. The outdated paradigm of culture and different political interests do not foster the systemic development of creative industries in Moldova which would contribute to the economic development of the country.

In this context, the export of cultural values poses a comprehensive set of services. Statistics show the increase of export in 2011 by 5161,7 thousand USD compared to 2010 and by 17491,1 thousand USD compared to 2009 (picture 8). The main driver of this increase is the export of culture heritage objects. According to the National Museum for Ethnography and Natural Sciences, 10000 locally manufactured carpets were presented to assessment for export in 2011. The export of icons and other culture heritage objects is steadily growing as well.



Picture 8. Export of cultural services

As a conclusion we can say that there is a general feeling that the financial weight of cultural and leisure services as well as their share in the total export volume are growing, though there is no method available to calculate them. This trend is supporting the idea that development of the cultural industry will contribute to the share of the cultural sector in the GDP and result in the increased impact of culture in the country's economy.

Following problems have been detected which are related to the economic activities of culture institutions or self-employed professional artists:

- 1) it is now impossible to calculate the impact of the cultural sector on the country's economy due to missing data bases enabling systemic analysis;
- 2) selective definition of cultural industries in Moldova not including advertising, design, architecture, beauty industry and television;
- 3) the indirect economic impact of the cultural sector on international and domestic tourism is being ignored;
- 4) cultural industries are not fit to support the development of the cultural sector as a contributor to the economic growth of the country.

The economy-related **problems** of the cultural sector are as follows:

- 1) minor impact of the cultural sector on the GDP;
- 2) insufficient development of creative industries.

IDENTIFICATION OF PROBLEMS IN THE CULTURAL SECTOR

The first conclusion based on the situation analysis is that the culture sector needs to be restructured. We need to review financial management, a structure reform through decentralization as well as the development of the private sector to foster competition. The cultural sector can only be productive and effective, if it's free and is not steered by ideology. These tasks have been ignored for 21 years since the country gained independence. Management mechanisms in the cultural sector, differences in the culture development in towns and villages, missing synergical vision of culture development and its adjustment to international standards for the sake of citizens' and national interests remain a challenge for the public authorities.

SWOT ANALYSIS

<p style="text-align: center;"><i>Strong points</i></p> <p>Culture institutions offer leisure services; Elaborated and implemented system for the assessment of the national heritage; Amended legal basis and regulations; Substantial number of culture objects being repaired every year (more than 500 in 2012); Promotion of folk-garments and traditions; Qualified personnel/proper quality of human potential; Available networks of culture institutions; Handicraftsmanship and rich traditions (underused potential for the development of cultural industries); Cultural and creative potential influencing new initiatives and cultural practices; Steadily growing motivation in the civil society and among culture employees and their influence on political decision-makers</p>	<p style="text-align: center;"><i>Weak points</i></p> <p>Low quality of financial management; Lack of optimal conditions for the cultural process; Underused IT-systems; Missing system for the performance assessment in the cultural sector; Low material and technical resources which lag behind the current requirements; Missing modern accounting and statistical analysis in the cultural sector; Low management capacities; Lack of transparency in the decisions of local public authorities of the first grade; Limited access of the citizens to cultural products; Underdeveloped axiological component of education in culture institutions; Underdeveloped funding mechanisms; Poor connection between the cultural sector and educational system (life-long learning)</p>
<p style="text-align: center;"><i>Hazards</i></p> <p>Financial resources available for maintenance instead of development do not allow the diversification of activities and art institutions; Funds of local public authorities are diverted to address the needs of other branches; Drain of qualified personnel resulting in lack of staff in the cultural sector; The citizens are passive and show no interest</p>	<p style="text-align: center;"><i>Opportunities</i></p> <p>Increase and diversification of non-budgetary funding sources; Increase of the number of NGOs in the cultural sector; Positive experience in receiving grants for independent institutions in the cultural sector; Support provided by international donors for the preservation and protection of culture heritage; Development of cultural industries and their</p>

<p>for culture heritage, which results in low demand for cultural products; Geographical location of the country exposes it to massive external political influence; Missing institutions for the continuing education of personnel in the cultural sector and, hence, low quality of cultural services</p>	<p>contribution to the economic growth of the country; Promotion and support of partnership and cooperation between various entities in the cultural sector; Continuing improvement of the legal basis and regulations for the cultural sector (new law on culture, set of laws on culture heritage etc.)</p>
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The SWOT-analysis detected a number of systemic problems:

Management problems:

- 1) existing funding mechanisms fail to foster competition and motivate the development of the cultural sector;
- 2) high costs due to the awkward infrastructure and underdeveloped virtual infrastructure;
- 3) low qualification of the managers;
- 4) low impact of the cultural sector in terms of education, social life and economy;
- 5) centralized cultural sector and monitoring mechanisms on the local level are far from perfect.

Problems related to the cultural products:

- 1) missing data basis of the register of state and private culture institutions;
- 2) cultural sector is perceived as a consumer of public funding not able to generate added value;
- 3) degradation of culture heritage;
- 4) unattractive cultural products;
- 5) culture marketing is not addressing target groups;
- 6) underdeveloped culture market.

STRATEGIC VISION AND EXPECTED RESULTS

Modernization of the cultural sector presumes a new configuration of the relationship between the state and the cultural sector. Hence, the Strategy stipulates a higher share of the freelance and informal sector in the overall culture activities thanks to funding being made available for relevant organizations and self-employed professional artists. Dedicated public policies will be implemented to support visual arts and literature.

To provide the proper quality of art education, institutions for art education will be restructured to receive a clear specialization and will be adjusted to international standards recommended by UNESCO. Professional education will be reviewed,

study plans will be adjusted to the needs of the job market, the qualification of teachers should be improved.

For the continuing education of culture professionals continuing education will be implemented. It is important to have centres for continuing education in every branch of the cultural sector. In this sense the cultural sector can already rely on its good practice – libraries. Removal of differences between culture in villages and towns also presumes continuing education for culture professionals in fields like management, culture marketing and fund-raising.

The Strategy should turn culture heritage into a national priority. The diversity of culture heritage can support the development of domestic and international tourism and create a new image for the country. The Strategy contains concrete steps aimed to preserve the national heritage. For monuments and buildings acknowledged as culture heritage standard contracts on the management/preservation of culture heritage will be implemented. The Institute for Monuments will be one of the key institutions in charge for the preservation of culture heritage which constitutes a part of the country's treasures.

Another priority for the cultural sector is the creation of a virtual network of cultural goods and services. Accordingly, the Strategy is aimed to reach the targets of the Program related to the implementation of IT-technologies in the cultural sector. Culture employees will receive an opportunity to learn service business on-line; a national platform for the promotion of artists and cultural products will be created which should facilitate the access to the cultural products for citizens.

Culture poses one of the most important channels for the intercultural dialogue and re-integration, mutual understanding and creative activity. Currently, cultural cooperation between the two banks of the Dniester River is based on individual actions. Public institutions should cooperate with representatives of the civil society and international organizations securing a stable platform for the development of cultural cooperation and reconstruction of the common cultural space. One of effective ways for this is to organize a direct dialogue between experts from different branches, to create networks and partnerships for the implementation of joint culture projects. The Strategy sets a concrete target aimed at re-integration, promotion of the joint initiatives of artists and experts, development of joint touristic routes on both sides of the Dniester River.

The implementation of the Strategy is linked to establishing partnership with public authorities in charge for education, ethnical relations, construction, youth and sports, economy and finance. It is also important to establish partnership with the local authorities and with the Bureau for Relations to Diaspora. Since the number of immigrants from Moldova is very high, it is crucial to maintain their contacts with the country, to keep traditions and the national identity. This is possible by implementing concrete programs for immigrants.

Whenever possible, strategies, programs and policies for various branches of the cultural sector will be elaborated on the basis of this Strategies.

MISSION OF THE STRATEGY

The mission of the Strategy is to supply the cultural sector with a set of coordinated, effective and pragmatic policies based on the listed priorities. The Strategy will respect the needs of the cultural sector and human capital in the field of culture. The flexible character of the Strategy will make it possible to develop certain culture branches and to reduce support for the other ones. Policies set up in this Strategy form a basis for the elaboration and implementation of policies free from ideology, dogmas or centralized state approach to culture.

VISION OF THE STRATEGY

By December 31, 2020, the Republic of Moldova will have a consolidated independent and creative cultural sector, properly protected culture heritage integrated into national and regional policies, including activities aimed at sustainable development (educational, economic, touristic and environmental activities).

TARGET OF THE STRATEGY

The target of the Strategy is to secure a viable cultural space by providing a set of proper public policies, creating a system for the preservation and promotion of culture heritage, promoting arts, developing cultural industries, improving the efficiency of culture management in order to improve quality of life, promote tolerance and solidarity.

CORE TARGET 1: PROTECTION OF THE DIVERSE NATIONAL CULTURE HERITAGE

Specific target 1.1. Creation of system for the registration of culture heritage with the aim to complete the inventory-taking, expertise, documenting, classification and assessment of 80% of the national heritage by 2020.

Priority steps:

- 1) inventory-taking and issuing passports for the national culture heritage;
- 2) expertise and classification of the national culture heritage;
- 3) creation of registers of the national culture heritage;
- 4) creation of a cadaster for movable and immovable culture heritage.

Expected results:

- 1) inventory-taking of the national culture heritage is complete;

- 2) passports issued for the national culture heritage;
- 3) assessed and classified national culture heritage;
- 4) a system for the stock-check of the national culture heritage is available;
- 5) registers for the national culture heritage are available;
- 6) cadastres for the national culture heritage are available.

Specific target 1.2. Creation of a system for the preservation and protection of culture heritage with the aim to secure protection and renovation for 50% of culture heritage objects by 2020.

Priority steps:

- 1) elaboration of adequate legal basis for the preservation and protection of the national culture heritage;
- 2) creation of an effective system for the protection of the national culture heritage;
- 3) creation of an institutional system for the preservation and restoration of the national culture heritage;
- 4) creation/development of a system for the inspection and monitoring of the national culture heritage;
- 5) creation of a system for the design and restoration of cultural heritage objects exclusively by certified specialists;
- 6) creation of a system for the salvation and restoration of endangered culture heritage objects;
- 7) development of national museum collections of movable culture heritage.

Expected results:

- 1) elaborated legal basis and regulations;
- 2) created system for the preservation and restoration of the national culture heritage;
- 3) created system for the inspection and monitoring of the national culture heritage;
- 4) operational institutional system for the protection and renovation of cultural heritage is in place;
- 5) restored and preserved culture heritage;
- 6) identified, rewarded and protected communities/individuals who are carriers of immaterial culture heritage;
- 7) maintained and safe movable state collections of culture heritage;
- 8) qualified specialists for the design and restoration of culture heritage.

Specific target 1.3. Promotion and integration of culture heritage into the state policy with the aim to use 30% of culture heritage for sustainable development in education, social life, economy, tourism and environment by 2020.

Priority steps:

- 1) integration of culture heritage in the national educational system;
- 2) integration of culture heritage in the state policy, plans for territorial design and sustainable development in social life, economy and environment at the national and local level in accordance with UNSECO recommendations;
- 3) promotion of the national culture heritage in tourism;
- 4) use of culture heritage in cultural life and science;
- 5) promotion of culture heritage.

Expected results:

- 1) created national educational system oriented on the national culture heritage;
- 2) national culture heritage integrated into projects and programs for the national and local development;
- 3) national culture heritage integrated into policies for ecology and sustainable development;
- 4) national culture heritage integrated into projects for tourism development;
- 5) developed and published repertoires/maps of the national culture heritage;
- 6) the society is aware of the public value of culture heritage.

CORE TARGET 2. SECURING MOBILITY OF PHYSICAL AND VIRTUAL CULTURAL PRODUCTS

Specific target 2.1. Development of the infrastructure of culture institutions with the aim to turn 3% of culture institutions in the country into public multifunctional centres every year.

Priority steps:

- 1) feasibility studies for culture institutions;
- 2) technical conversion and modernization of culture institutions;
- 3) reform of the culture clubs and their transformation into municipal centres;
- 4) reform of the libraries by transforming them into information and documentation centres;
- 5) adoption of proper legal regulations for culture institutions at the local level;

6) promotion of public-private partnership for the network of culture institutions.

Expected results:

- 1) equipped, repaired and modernized culture institutions;
- 2) culture clubs transformed into municipal centres;
- 3) libraries transformed into service centres for citizens;
- 4) established public-private partnership.

Specific target 2.2. Creation of the virtual networks of culture institutions and cultural products with the aim to digitalize all categories of culture heritage including museum collections and libraries' funds and to make the information system in the cultural sector operational by 2020.

Priority steps:

- 1) digitalization of the national culture heritage;
- 2) creation of a single information system in the cultural sector;
- 3) creation of a virtual national museum;
- 4) digitalization of the libraries' funds and creation of a digital network to subscribe for mutual access to books between libraries;
- 5) creation of a virtual library;
- 6) development of e-services in the cultural sector;
- 7) training of the personnel of culture institutions in applying IT-technologies.

Expected results:

- 1) created information system "E-heritage";
- 2) created information system "E-culture";
- 3) created digital museum collections;
- 4) created virtual national museum;
- 5) operational virtual library;
- 6) implemented e-services in the cultural sector;
- 7) personnel trained in IT-technologies, providing e-services;
- 8) culture institutions digitally equipped.

CORE TARGET 3. GROWTH OF THE ECONOMIC CONTRIBUTION OF THE CULTURAL SECTOR AND CREATIVE INDUSTRIES

Specific target 3.1. Installing performance-oriented management in all state-funded culture institutions with the aim to have a modern performance-oriented management system in all culture institutions by 2020.

Priority steps:

- 1) elaboration of legal regulations on performance-oriented management in culture institutions;
- 2) task-setting for management for all types of culture institutions;
- 3) assessment of the potential of the administrative personnel of culture institutions in culture management and marketing;
- 4) fostering potential for management and marketing among the administrative personnel of culture institutions;
- 5) re-organization of art education to secure proper professional training in the cultural sector.

Expected results:

- 1) legal regulations in the cultural sector available;
- 2) performance-oriented management established in all state-funded culture institutions;
- 3) created centre for continuing education in the field of culture and culture heritage;
- 4) trained managers/administrative staff motivated for the development of their institutions;
- 5) art education adjusted to the needs of the job market.

Specific target 3.2. Introduction of flexible funding models to support culture policies and current priorities with the aim to increase the share of independent state-funded institutions by 3% per year, reaching at least 21% by 2020.

Priority steps:

- 1) elaboration of legal regulations for project- and priority-based financing in the cultural sector;
- 2) establishing viable partnerships between local authorities and the Ministry of Culture to identify additional funding possibilities;
- 3) identification of mechanisms to increase the number of partnerships with private business;
- 4) elaboration of a strategy for communication with independent institutions in the cultural sector;
- 5) permanent monitoring of the correlation between the resources used and revenues of culture institutions to keep the cultural sector at the proper level;
- 6) amendment of the procedure for the funding of theatres and concert halls;
- 7) implementation of long-term grants for theatres, concert halls and film-makers.

Expected results:

- 1) strong independent institutions with a substantial social influence;
- 2) substantial contribution of the cultural sector to the solution of the problems of the society and the country;
- 3) financing models adjusted to the needs of the job market and the current situation.

Specific target 3.3. Creation of favorable conditions for business activity in the cultural sector with the aim to increase the share of the culture sector in the GDP to 3% by 2020.

Priority steps:

- 1) elaboration of legal regulations for creative and culture industries;
- 2) creation of a data basis about institutions with economic potential;
- 3) study on the culture market of Moldova;
- 4) promotion of the export of cultural services and values;
- 5) support for the development of business in the cultural sector via partnerships with the Ministry of Economy;
- 6) establishment of contacts between handicraftsmen and Moldovan diaspora with the aim to promote national cultural products in Europe;
- 7) creation of favorable conditions for the development of film-making in the country;
- 8) identification of potential products which could be developed into national brands by establishing partnerships between authorities, artists and design companies;
- 9) identification of support mechanisms for fostering unique products of handicraftsmanship;
- 10) promotion of the cultural products by assigning state rewards.

Expected results:

- 1) cultural business contributes to the country's GDP;
- 2) developed culture industries and their increased economic impact;
- 3) increased employment in the cultural sector;
- 4) increased number of business transactions in the cultural sector;
- 5) adopted and implemented legal mechanisms for the development of the culture industry;
- 6) increased number of artists/institutions having internships/tours/exhibitions abroad;
- 7) developed film-making industry;
- 8) identified and developed national product;
- 9) re-organized network of theatres and concert halls;
- 10) identified and implemented mechanism for the support and promotion of handicraftsmanship;

- 11) established and implemented rewards for various cultural products.

CORE TARGET 4. INCREASED CONTRIBUTION OF THE CULTURAL SECTOR TO THE SOCIAL UNITY

Specific target 4.1. Increase of citizens' participation in cultural activities with the aim to increase the consumption of cultural products by 1% per year and to increase the share of citizens participating in cultural life to at least 40% by 2020.

Priority steps:

- 1) elaboration of a Strategy for the promotion of book-reading;
- 2) promotion of the activities of NGOs in the cultural sector contributing to the increase of citizens' participation in cultural activities;
- 3) diversification of services provided by museums, libraries, theatres and concert halls;
- 4) support for the participation of youth in cultural events and in decision-making on the local priorities;
- 5) support for informal art education and exchange of experience at the regional and local level;
- 6) studies on the monitoring of citizens' participation in cultural activities;
- 7) improved notification of citizens on local, regional and national culture services;
- 8) increase of the mobility of artists and art collectives at the national and local level;
- 9) mapping of the cultural potential and resources at the local and national level;
- 10) expansion of the dialogue and local cooperation by developing partnership between authorities;
- 11) identification of an effective system for the collection and dissemination of information and statistical data on cultural activities and citizens' participation;
- 12) securing the effective participation of ethnic minorities in the elaboration and implementation of the relevant policy.

Expected results:

- 1) diversified and flexible culture services for all citizens;
- 2) elaborated and implemented Strategy for the promotion of book-reading;
- 3) increased consumption of cultural products per capita;
- 4) decreased intolerance among citizens;
- 5) mapped cultural potential and resources;

- 6) increased citizens' participation in cultural and recovery activities.

Specific target 4.2. Increase of the social advantages of culture with the aim to reduce intolerance among citizens by 2% per year and at least by 14% by 2020.

Priority steps:

- 1) elaboration of an action plan to promote social inclusion through culture jointly with the Ministry of Labor, Social Protection and Family;
- 2) development of partnerships for social inclusion with schools, local authorities and public bodies in charge for culture;
- 3) involvement of independent organizations into the promotion of social equality and human rights through culture;
- 4) assessment of the contribution of arts to the decrease of crime rate;
- 5) elaboration, jointly with the Ministry of Internal Affairs, of a program for the prevention of crime through culture;
- 6) increase of the number of cultural activities with the participation of local volunteers;
- 7) evaluation and reporting on the progress in reducing cultural exclusion based on discrimination by race, language, national or ethnic origin, religion, economic or social factors;
- 8) promotion of life-long learning through arts and culture heritage;
- 9) elaboration, jointly with the Ministry of Education, of a program for art education;
- 10) promotion of cultural activities contributing to mutual understanding and tolerance at all levels (personal, communities, national level) irrespective of race, ethnic background or religion – in accordance to the Pact on Economic, Social and Cultural Rights.

Expected results:

- 1) elaborated and implemented action plan for the promotion of social inclusion through culture;
- 2) established partnerships between various social actors;
- 3) elaborated and implemented program for the prevention of crime through arts;
- 4) increased level of tolerance among citizens;
- 5) promoted, assessed and deliberate social engagement;
- 6) identified pilot schools for the protection of culture heritage and cultural development.

Specific target 4.3. Restoration of the single cultural space on both banks of the Dniester River by implementing four joint cultural projects every year and by implementing six joint touristic routes.

Priority steps:

- 1) strengthening cooperation between culture institutions on both banks of the Dniester River by supporting independent art initiatives aimed to create joint program for the youth and to promote arts;
- 2) support of the intercultural dialogue by supporting joint projects in modern arts, including the organization of concerts, festivals, theatre performances, exhibitions and other joint initiatives;
- 3) capacity building to preserve culture heritage by: (i) strengthening organizational and operational capacities; (ii) mapping culture heritage; (iii) implementing an agreed working program and strategy based on a complex approach to culture and nature heritage for the better planning and management of culture heritage; (iv) enhancing efforts to restore culture heritage on both banks of the Dniester River.

Expected results:

- 1) established partnerships between various actors of the cultural sector;
- 2) organized joint cultural activities;
- 3) implemented mechanisms for the development of culture industries;
- 4) launched and funded projects for the preservation of culture heritage;
- 5) launched and funded projects for the development of cultural tourism;
- 6) improved mechanisms for the management and protection of culture heritage.

Specific target 4.4. Establishing and developing contacts with the Moldovan diaspora and organization of five joint projects with diaspora in various countries per year.

Priority steps:

- 1) establishing a partnership with the Bureau for Relations to Diaspora;
- 2) identification of the most substantial Moldovan communities abroad;
- 3) elaboration of a plan for the promotion of traditions and culture heritage in countries with the Moldovan diaspora;
- 4) promotion of studies in the national traditions and language among the members of the Moldovan diaspora;
- 5) cooperation with the members of the diaspora in joint projects;
- 6) organization of joint international activities.

Expected results:

- 1) established network for communication with the diaspora;
- 2) traditional culture and arts are popular in the diaspora;
- 3) founded informal schools for learning national traditions;

- 4) image of the country promoted through joint activities.

Specific target 4.5. Strengthening of the international cooperation in the cultural sector with the aim to arrange participation in joint cultural programs for ten artists and to finance one international cultural project per year.

Priority steps:

- 1) development and promotion of the country's brand-book jointly with the relevant public authorities;
- 2) promotion of Moldova as a location for film-making;
- 3) assigning funding for the mobility programs for artists;
- 4) creation of a mechanism for the free movement of artworks;
- 5) development of relations to international organizations with the aim to develop culture industries, protect culture heritage and to promote cultural diversity;
- 6) methodical assistance to information and cultural centres in countries with which Moldova has agreements on bilateral cooperation;
- 7) support for young talents in culture and arts, providing scholarships for study in Moldova and abroad, rewarding the winners of international contests and festivals;
- 8) expansion of cooperation at the multilateral and associative level for integration at the European and regional level;
- 9) initiating negotiations; signing, ratification of bilateral agreements on cooperation with other countries;
- 10) initiating negotiations; joining, signing, ratification, approval of multilateral agreements concluded within the Council of Europe, UNO, CIS;
- 11) active participation in programs for the recovery of culture heritage organized by the Council of Europe and the EU;
- 12) joining the partially extended agreement on touristic routes of the Council of Europe.

Expected results:

- 1) developed and promoted brand-book of the Republic of Moldova;
- 2) identified and used funding for the mobility programs;
- 3) operational mechanism for the free movement of artists and artworks;
- 4) supported cultural centres;
- 5) scholarships and rewards granted every year.

IMPACT AND COSTS FOR THE IMPLEMENTATION OF THE STRATEGY

The working results within this Strategy are measured in terms of public policies with cultural specifics.

The quality of the cultural product is considered as a measure of innovative creative actions and is expressed in:

- 1) the number of created workshops for contemporary art;
- 2) the number of culture institutions with modernized infrastructure.

Access to the cultural products is perceived as participation in cultural activities and is expressed in the number of the consumers of cultural products by art branches.

The impact of the cultural product is perceived as the impact of culture on social transformations based on cultural economic activity and is expressed in the number of the consumers of cultural products and in the number of activities by art branches.

The value of the cultural product as a measure of the economic value of culture and consumption of culture in the society is defined as:

- 1) monthly expenses for culture services and leisure per capita;
- 2) increase of investments into culture;
- 3) increase of the number of saved and restored culture heritage objects.

Upon implementation of the Strategy the Republic of Moldova will have:

- 1) developed and independent culture system;
- 2) protected culture heritage;
- 3) increased consumption of the cultural products;
- 4) physical and virtual infrastructure for the creation, distribution and consumption of cultural products;
- 5) developed culture industries;
- 6) tolerant and inclusive society.

The expenses for the implementation of the Strategy are presented in the action plan and amount 1757,93 mio. Lej.

These expenses shall be covered by:

- 1) state budget within the limits set by the Law on the state budget;
- 2) budgets of the administrative and territorial units within the funds assigned for the development of the local infrastructure and support for the local cultural activities;
- 3) private investors;
- 4) sponsors, projects for technical aid implemented by international organizations.

Specific progress indicators are specified in the action plan for each task.

Stage of the strategy implementation

The Strategy does not set clear implementation stages. All timeframes are specified in the attached action plan.

MONITORING AND EVALUATION OF THE STRATEGY IMPLEMENTATION

Monitoring is a regular analysis of progress reached in the implementation of the respective tasks. Monitoring will be based on the proposed measures and results included in the action plan for the Strategy implementation.

The Strategy of culture development «Culture 2020» covers a period of seven years. The annual evaluation will be made in the end of every year, its results will be specified in the annual monitoring report. The annual evaluation report will present successes and setbacks in the implementation of the action plan for the Strategy implementation. This report offers a deeper analysis compared to monitoring, since it detects the causes/factors of success/failure as well as measures for the next respective year.

If necessary corrective actions are detected in the course of monitoring, these actions are included in the annual plan of the respective body for the coming year. If it's detected that the targets are implemented in line with the specified expectations, this is pointed out in the annual reports accordingly.

The final evaluation of the Strategy implementation will be made in 2020. The aim of this evaluation is to identify the task implementation, achieved results and effected changes. For the sake of objectivity and impartiality, the final evaluation will also comprise the results of internal and external consultations.

The priorities of the Strategy for the development of culture «Culture 2020» will serve as a basis for the middle-term budget forecast.

Monitoring of the Strategy is the task of the Ministry of Culture which shall regularly inform the Government and the public on achieved results, pending problems and development prospects.

To increase the effectiveness of the monitoring, a monitoring and evaluation group will be created consisting of public officials of central and local public authorities as well as representatives of the civil society and directors of culture institutions.

The implementation of the Strategy is the duty of all authorities and institutions specified in the Strategy.

Funding will be provided in accordance with the state budget, projects and programs for technical aid, grants, projects for the development of public-private partnership, sponsor aid and other legal sources.

HAZARDS AND PREVENTIVE MEASURES IN THE COURSE OF THE STRATEGY IMPLEMENTATION

There are administrative and financial risks related to the adopted National Decentralization Strategy for 2012-2015 and the Law on Local Public Finance which can affect the implementation of this Strategy.

Financial risks

Some projects listed in the Strategy cannot be launched without the required financing. These are projects for the equipment of administrative bodies and culture institutions with computers and software, streamlining processes related to the creation and maintenance of museum collections and libraries' funds, revival of culture institutions in locations where this is relevant and useful for the community. These risks can be prevented by identifying external funding sources (sponsors, aid projects) as well as by the increase of the efficiency of the expenses.

Political and administrative risks

These risks are related to the dullness of public servants in charge for the complete or sectorial implementation of the Strategy, lack of management continuity in case of the replacement of the officials in charge, low meaning of the cultural process for the country's development.

Just like any innovation, the Strategy will have to overcome barriers related to the lack of knowledge of the valid laws and regulations, outdated working practices of the public employees, weak knowledge of IT-technologies, lack of motivation and initiative for the implementation of the respective projects etc. These risks can be prevented by the consolidation of the potential of all elements involved into the Strategy implementation.

The fact that the National Body for the Protection and Salvation of Culture Heritage will probably receive the power to impose restrictions and fines on private and legal persons violating the legislation on the protection of historical and cultural monuments can provoke substantial resistance to the Strategy implementation as well.

To prevent possible resistance by involved persons, especially in the areas to be subject to the reforms, the Strategy stipulates a joint action plan which is to be implemented in several steps: preparation of the Strategy implementation, basic implementation (elaboration of legal basis and regulations), implementation of the reform, completion of the reforms. For each step campaigns on-line and off-line with the participation of the representatives of public authorities, culture institutions and the associative sector shall be organized.