

Funding Criteria

Digital Fund – Digital Transformation in Cultural Institutions

The following funding criteria are valid in combination with the “General Project Funding Criteria of the German Federal Cultural Foundation” (www.kulturstiftung-bund.de/stiftung/foerderrichtlinien).

The Federal Cultural Foundation established the Digital Fund with the aim of motivating and enabling cultural organisations to develop digital possibilities, as well as critically and creatively addressing today’s challenges in a self-determined, community-minded manner. Its guiding principle is to answer the question of what a digital society of the future might look like and what role cultural institutions should play in shaping it. How can museums, theatres, concert halls and literature houses respond to technological innovations? What forms of production, education and communication should they apply or develop together with their visitors?

The Digital Fund enables partnerships of at least two cultural institutions (for more on “**partnerships**”, see No. 3 below) to jointly implement innovative digital concepts and projects, experiment with new digital aesthetics and forms of expression, and enhance their digital profiles. Cultural institutions are encouraged to expand on forms of collaboration with their organisations and in partnership with other cultural institutions. The Digital Fund explicitly supports proposals which adopt an open-access, open-content and open-source approach. In other words, project partners should make developed digital applications and source codes of prototypes available for use by other cultural institutions as much as possible.

For more on this, please refer to the **attachment** on “**Licensing Recommendations**” (also see no. 8 e below).

The Federal Cultural Foundation has allocated a maximum of 13.2 million euros to the application-based Digital Fund from 2019 to 2023. The Federal Cultural Foundation will be organising a series of academy events to accompany the programme, at which funded partnerships and their digital partners can discuss challenges and share expertise.

1. Object of funding

Funding is awarded for the purpose of developing and implementing digital projects as put forth in the jointly drafted funding proposal by the partnership's cultural institutions. Should the proposal receive approval, the digital projects must be developed and implemented in cooperation with at least one partner from the digital development field (for more on "**Digital partners**", see No. 4 below). The strategic-conceptual collaboration with a digital partner must be an essential part of the development and implementation of the digital projects.

The digital projects (e.g. platforms, virtual-reality and augmented-reality applications, apps, games, interactive websites, motion capture, AI) must address and/or tie into relevant topics of the participating cultural institutions. Furthermore, these projects should test new formats of knowledge transfer, artistic production and communication with visitors. Funding is awarded to proposals which intend to develop and implement digital projects in at least two of the following areas:

- Digital curating
- Artistic production
- Cultural education
- Communication

Proposals which exclusively focus on digitalising collection holdings are **excluded** from funding.

The digital projects are to run for four years and must be **developed and completed** by 31 December 2023 (for more on “Project commencement”, see No. 11 below).

Applicants are not legally entitled to funding.

2. Application eligibility

Only one cultural institution in each partnership is required to apply for funding to the Federal Cultural Foundation. Should funding be approved, this cultural institution will be designated as the funding recipient by the Federal Cultural Foundation upon conclusion of the funding contract. The Federal Cultural Foundation permits the funding recipient to transfer awarded funding to the other member(s) of the partnership (in accordance with No. 12 VV of § 44 BHO) following the conclusion of a cooperation agreement which must be approved in advance by the Federal Cultural Foundation. The applying cultural institution must be based in Germany.

3. Partnership membership

Any contemporary-oriented cultural institution in any artistic field can be a **member of a partnership**. The non-applying cultural institutions in the partnership may have their headquarters outside of Germany. The cultural institutions must operate a venue where artistic formats are regularly presented, employ staff with artistically and thematically relevant expertise, possess a technical and personnel-based infrastructure, and have already developed a digital strategy for their institution and implemented digital measures. Cultural institutions which operate multiple venues, are eligible to apply, but may only have a maximum of two venues participate simultaneously in the project. However, these two venues are also allowed to form a two-member partnership of their own.

The legal form of the applying institution (e.g. association, administration union, foundation, GmbH or gGmbH) has no influence on funding provided by the Federal Cultural Foundation. Cultural institutions in Germany, which are not publicly operated, must receive regular funding contributions from state or federal authorities to finance their operations or maintenance.

4. Digital partners

Partnerships should develop and implement their digital projects in line with their proposed concepts in partnership with one or more digital partners. A **digital partner** can be a research institute, agency or organisation with proven digital expertise. The digital partner's task is to advise the partnership's cultural institutions on the further development and implementation of their objectives and key issues, work with them to develop and carry out their digital projects and assist them with expanding on and perpetuating the digitally-oriented processes of change taking place within their institutions. The strategic-conceptual contribution to the partnership is specific to each digital partner. In addition to cooperating with or contracting the services of digital partners, partnerships may also collaborate with other service providers.

4. a) Selection of digital partners following funding approval

Partnerships must immediately begin seeking digital partners upon receiving notification of funding approval and permission to commence preliminary measures. The selection process must be completed no later than ten months after receiving funding approval in order to ensure the smooth exchange and collaboration of the partnerships and their digital partners when participating in the accompanying programme events organised by the Federal Cultural Foundation.

Depending on the type of digital project and form of collaboration with the digital partner(s), the partnership members may individually or collectively cooperate with or commission digital partners.

4. b) Selection of digital partners prior to application

Partnerships are free to select digital partners prior to applying for funding (e.g. because a framework contract already exists or had been signed prior to application). In such cases, digital partners may actively participate in developing the proposal for the application.

However, upon selection of the digital partner(s), the contracting cultural institution must ensure compliance with the contract award provisions on the basis of the *relevant contract value*. The relevant contract value is the amount resulting not only from the digital partner's participation in developing the proposal, but also in the possible development and implementation of digital projects funded by the Federal Cultural Foundation at a later time. Any contractual agreements concluded with digital partners to develop a proposal for the application must be specifically limited to that purpose. The parties are not permitted to obligate themselves to developing or implementing application-related digital projects in part or whole in anticipation of a positive funding decision by the Federal Cultural Foundation. Expenditures resulting from the development of the proposal are not fundable – in contrast to later expenditures for the development and implementation of preliminary measures funded by the Foundation and for which permission by the Foundation has been explicitly granted.

The provision prohibiting premature commencement of measures, i.e. commencement of a project to develop and implement digital projects prior to receiving funding approval from the Federal Cultural Foundation, remains unaffected (see No. 11 below). With submission of the application, the applying cultural institution confirms compliance with these regulations on behalf of all members of the partnership.

5. **Project management**

The funded partnerships must be supervised by a **project manager or project office** with expertise in flexible project management **for the entire duration of the project**. Project management can be designated as a personal contribution if assumed by the permanent staff of the cultural institutions of the partnership. Should the partnership decide to create a new temporary position for the project management, the position must be organisationally anchored at one of the partnership's cultural institutions. The position can be included in the cost and financing plan of the proposal digital projects.

6. **Funding amount**

The Federal Cultural Foundation can award up to **880,000 euros** to partnerships comprised of **two cultural institutions** and at least **one digital partner**. The minimum amount for which partnerships may apply is 600,000 euros. For partnerships of more than two cultural institutions, the maximum funding amount for which partnerships may apply increases by 160,000 euros per additional institution. The minimum application amount remains unchanged.

7. **Personal contribution and third-party funding**

Applications for funding must include confirmation of secured equity capital and/or third-party financing totalling at least 20 percent of the total cost of the project. Funding from the Federal Cultural Foundation is generally granted in the form of shortfall financing. Further equity financing and/or third-party resources can be added to the required amount.

8. Application

Applicants are required to complete and submit the online application form available from the website of the Federal Cultural Foundation.

The partnership is required to provide the following **documents** as part of the application:

- a) **A project proposal (max. six pages), jointly drafted by the cultural institutions of the partnership**, providing details concerning the following points:
 - (i) Which **objectives** and **key issues** do the cultural institutions wish to digitally and institutionally expand on in at least two of the abovementioned areas (digital curating, artistic production, cultural education, communication)?
 - (ii) **Description of the intended effect of the digital projects on the future work** of the cultural institutions;
 - (iii) **Outline of possible digital applications and formats** which will help achieve the objectives mentioned above;
 - (iv) Description of how the partners of the partnership plan to organise their **collaboration** (with examples of concrete, cooperative singular formats, if applicable).
- b) **Letter of motivation for the collaboration** (max. one page) by each cultural institution;
- c) **Short profiles of each institution** in the partnership and descriptions of their **digital strategies** and **digital services** which have already been implemented (max. three pages per cultural institution);
- d) If available at the time of application: **short profile of the digital partner(s)** (max. half page);

- e) Description of how each institution currently handles **open-access, open-content and open-source issues** (e.g. strategies, prior measures, usage of free licensing), as well as a **description of how they plan to handle these in the future** (max. one page per institution). See attached "Licencing Recommendations".
- f) **Pledge of secured capital equity and/or third-party funding** of at least 20% of the total project costs based on a project duration of four years;
- g) **Confirmation by the management of the cultural institutions** that it will establish a cross-departmental team to oversee the development and implementation of the digital projects, specifying the participating departments;
- h) **Confirmation by the management of the cultural institutions** that it will document and publicise the production processes and source codes of developed prototypes, their thematic conception and implementation, as well as any obtained findings in suitable formats in order to promote their widespread adoption by other institutions;
- i) Two-page **cost and financing plan (CFP)** listing all planned expenditures and income, using the template provided by the Federal Cultural Foundation.

9. Application deadline

The **deadline for applications** is **Monday, 1 July 2019**. The submission date is determined by the sending date of the online form. Only documents received prior to the application deadline will be used to assess the fundability of the proposals. Applications which are incomplete or submitted after the deadline will not be considered.

10. Funding decision

The Board of Trustees will make its **final funding decisions in December 2019** based on recommendations provided by the Executive Committee of the Federal Cultural Foundation. These, in turn, will be based on the recommendations of an **independent jury of experts** scheduled to meet in closed session in October 2019.

11. Project commencement

Upon receiving funding approval, partnerships may immediately begin measures to develop and implement their digital projects. These must be completed by 31 December 2023. Funding cannot be granted to projects which have already begun developing and implementing digital projects, i.e. effected payments or entered contractual agreements prior to announcement of the funding decision of the Federal Cultural Foundation. This does not apply to purely preparatory measures unrelated to the development and implementation measures funded by the Federal Cultural Foundation, e.g. contracts concluded for the purpose of developing a proposal for the application, provided these do not obligate the parties to implement the project in part or whole independent of the funding decision of the Foundation (see also No. 4b).

12. Validity

These funding criteria are valid as of 24 September 2018 and are subject to change.