

**Programme for culture and the audiovisual
industry
"Creative Europe"**

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Summary

Culture in general, and the audiovisual sector in particular, are cross-cutting areas for social well-being and economic growth. While initially culture and creativity were seen as means of individual pleasure and accomplishment, their value for the economy is now increasingly recognised, justifying public support for their enhancement. In this case, the role of local and regional authorities (LRAs) is very important, even if in a more indirect and complementary way than in other sectors where regional authorities may take direct regulatory action or use ample funding for activities considered to be motors of growth.

Despite that, the majority of the cases examined demonstrate a growing need for the regions to focus their attention on the creative industries as a means for regional regeneration and economic development. The creation of creative industry clusters is important in this respect, since they allow the achievement of economies of scale and the realisation of targeted training. Equally important is the creation of local partnerships. The cultural and creative industries (CCIs) include stakeholders (artists, designers, intermediaries, distribution channels) with great economic potential and they are one of Europe's most dynamic sectors, contributing around 2.6% to the European Union's (EU) Gross Domestic Product (GDP) and experiencing significant average growth. Additionally, regional policies gain importance as the speed of the development and deployment of digital Information and Communication Technologies (ICT) on a global scale increases the relevance of CCIs for economic development, with a substantial impact in all sectors of the whole value chain.

Several options are suggested as to how LRAs can best become involved:

- Option 1: Partnership-building. LRAs have an important role to play in supporting CCIs in partnerships either with all stakeholders involved (with bigger ambitions but also higher risks and coordination needs) or with smaller bilateral or multilateral partnership agreements. Independently of the type of partnership that is adopted, it is important to focus on the identification of adequate sources of finance, support of individual stakeholders and entrepreneurship, development of new support instruments and targeted education by CCIs.
- Option 2: Use of EU financing. EU financing is an opportunity for LRAs to complement their internal financial resources either through the use of the future 'Creative Europe' Programme with its new, dedicated budgetary allocation, providing horizontal support to CCIs with innovative financial instruments, or through the traditional forms via the Structural Funds. EU

support is particularly appropriate for the exchange of best practices.

- Option 3: Promotional activities. CCIs need to be promoted in order to internationalise and create value; they are also a means of promoting a region and thus contributing indirectly to its growth and welfare. Longer-term, highly ambitious promotional activities have triggered significant benefits but smaller-scale promotion can also be beneficial and equivalent to the effort invested.

These options and related recommendations are justified by the hypotheses that support for CCIs contributes to growth, innovation, productivity and job creation in the creative industries; further, CCIs encourage increases in tourism and tourist revenue, and support other industries through strong inter-sectoral linkages and effects.

Recommendations for LRAs to support promising CCIs include both a general strategic role of initiator and some specific lessons and ideas. LRAs can take a leading role (directly or through a specially created and funded development company) to investigate local CCIs' strengths and weaknesses and to design appropriate partnerships. Once their strategies are designed and agreed they need to identify: the appropriate areas of support (geographically or virtually); the type of CCIs to be supported; the appropriate financial support; and ways of ensuring the longevity of the measures taken (in compliance with the planned horizon). Additionally, LRAs will need to incorporate the idea of CCI exports into the overall local strategy and the means of achieving this, as well as to play an awareness-raising role, and last but not least to establish the necessary observatories and indicators to effectively monitor CCIs' progress in the region and their role in the regional economy.

1. Set of policy options and priorities

1.1 Introduction: the Creative Europe programme

Culture and creativity are recognised as a social necessity and a factor in economic growth. CCIs¹ include stakeholders (artists, designers, intermediaries, distribution channels) with great economic potential; furthermore, they are one of Europe's most dynamic sectors, contributing around 2.6% to the EU's GDP and experiencing an annual average growth of about 14% over the period 2002-2008.² World trade of CCIs doubled during the same period.³

For this reason, the European Commission (EC) has adopted successive programmes supporting CCIs in general, with special emphasis on the audiovisual sector. The justification for EU support is based on the subsidiarity principle and the need to operate beyond national borders with a strong link to the promotion of cultural and linguistic diversity. The new 'Creative Europe' Programme will not only increase and streamline support but will also use a new financing platform, run by the European Investment Bank (EIB), for the provision of equity and debt financing to creative and culture industries that had previously no access to EU support.

Regional policies gain importance as the speed of the development and deployment of digital ICT on a global scale promotes the relevance of CCIs to economic development, with a substantial impact in all sectors of the whole value chain. Technology and the availability of broadband infrastructure in urban and rural areas open up new opportunities independently of physical and geographical constraints and can play a pivotal role in reinforcing regional identity and supporting economic development by unlocking regional cultural potential.

Several options are discussed below as to how LRAs can best become involved in this context.

¹ According to the UNCTAD definition "Creative Industries are the cycles of creation, production and distribution of goods and services that use creativity and intellectual capital as primary inputs; constitute a set of knowledge-based activities, focused on but not limited to arts, potentially generating revenues from trade and intellectual property rights, comprise tangible products and intangible intellectual or artistic services with creative content, economic value and market objectives, stand at the crossroads of the artisan, services and industrial sectors and constitute a new dynamic sector in world trade' (UNCTAD 2010b).

² UNCTAD (2010a).

³ UNCTAD (2010b).

1.2 Options for LRAs to contribute to the development of local CCIs

Options for the involvement of LRAs relate to governance (with whom to partner) and funding models (how to mobilise additional resources), which are obviously not mutually exclusive as partnering and funding can be mutually reinforcing. These options are discussed with emphasis on their relevance for culture itself and its role in society and the economy. The choice of option depends on the type of region, the existing activities and stakeholders as well as the ambitions, objectives and means of each region.

Option 1: Partnership-building

LRAs have an important role to play in supporting CCIs but they are unable to design and organise such an endeavour alone. In general, partnership-building can take two different forms: (i) a broad one, where all stakeholders involved agree on a local or regional strategy and where each stakeholder plays a clearly attributed role; (ii) a bilateral or multilateral one, where partnership agreements are finalised between the LRA and individual stakeholders. Successful strategies are based on a medium- to long-term (i.e. 10-20 years) development model combining infrastructure and human capital investments.

Independently of what type of partnership is adopted, it is important to focus on the identification of adequate sources of finance, support of individual stakeholders and entrepreneurship, development of new support instruments and the targeted education of CCIs. Effective coordination between different policy and administration levels is also essential for success. Impact assessment and evaluation tools are complementary techniques that need to be built into development strategies to support the design of evidence-based policies and to increase effectiveness.

Larger strategic partnerships (i.e. form (i) above) are easier in regions where CCIs play an important role and clusters are already formed and are cohesive. For regions where CCIs are less developed, LRAs wishing to engage more in such activities will create/support individual stakeholders identified as expected to help the region move forward in that direction (i.e. form (ii) above).

In addition, LRAs may have the possibility of forming an explicit partnership regarding their engagement at local/national level in the form of "outcome-type agreements whereby each governance level commits to work towards agreed outcomes to facilitate the development of cultural and creative industries at the

local level".⁴

Partnerships are built across all Member States (MS) and may have a different scale but their common feature is the joining of forces of a variety of stakeholders. Creative industry clusters (games) in France and Barcelona Activa in Spain are typical examples of such partnerships. Some partnerships may be created around a special means, such as the Digital Content Funding - Partnership (Germany), whereas others (in particular when building up over time and ensuring continuity) can make the region almost synonymous with the cultural partnership as is in the case of the Avignon Festival, in France.

Option 2: Use of EU financing

EU financing is an opportunity for LRAs to supplement their internal financial resources. The CCIs sector is characterised by small- to medium-sized enterprises (SMEs), which invest in initiatives/projects with long payback periods. Their balance sheets exhibit low asset values and this creates difficulties accessing finance through traditional loan channels; hence, the call for innovative financing instruments. The EU financing offers three ways to do so:

- i. By using the future 'Creative Europe' Programme, which will have similar (though not identical) support features to the programmes of the past. The main features of this programme refer to helping "*artists and culture and audiovisual professionals to safeguard and promote cultural and linguistic diversity by making the most of the Single Market and to reach new audiences in Europe and beyond; Creative Europe also promotes cultural and linguistic diversity*".⁵ This line of support can be more amply used by regions where CCIs have reached a level of maturity that can generate wealth through internationalisation, and regions where linguistic diversity is of high relevance (in particular regions with endangered languages). This does not preclude other regions from using it in an effort to generate new activities.
- ii. The new dedicated budgetary allocation of 'Creative Europe', providing horizontal support to CCIs through the use of innovative financial instruments, can be exploited in particular by intermediaries and commercial stakeholders, who expect to amortise loans. LRAs can play a very important role in familiarising these stakeholders with the new instruments and providing guarantees for created funds to be tailored to the needs of the region.

⁴ Committee of the Regions (2010): CdR 181/2010 fin.

⁵ European Commission, [Creative Europe: Commission unveils plan to boost cultural and creative sectors](#)

- iii. Structural Funds can be used for the financing of cultural and audiovisual activities. These funds are highly relevant for regions that are weak in artistic creation or in the commercialisation of local cultural potential; only LRAs can decide to earmark Structural Funds' support to CCIs and organise the way these funds will be used.

EU support is particularly appropriate for the exchange of best practices. Such exchange is crucial and advantage should be taken of all existing networks across Europe to facilitate knowledge and capacity transfer between areas lagging behind and core regions.⁶

There are ample opportunities for regions to select the means they wish to promote: some examples include the construction of a world class music venue in Poland or the case of Basilicata coast-to-coast, in Italy. The media can be another aspect around which projects for EU support are built, such as the 'future creative hotspot - C-Mine' in Belgium, and the 'Govan Digital Media Centre', in the UK.

Option 3: Promotional activities

CCIs need to be promoted in order to internationalise and create value; they are also a means to promote a region and thus contribute indirectly to its growth and welfare. The audiovisual sector, which includes motion picture, television, radio and other forms of broadcasting⁷, is the most appropriate way of tackling promotion. LRAs can mobilise resources for the promotion of broadcasting of European audiovisual material to third countries and vice versa (the MEDIA Mundus programme proved to be ideal support for that) or can use audiovisual material to promote the region itself as an attractive tourism location, in particular for cultural tourism.

Promotional activities are of particular interest to the regions (often as a result of partnerships mentioned in Option 1, or EU funding in Option 2) but their common element is their relevance for transforming the CCIs into an destination for investments and/or tourism that can be translated into economic gains. The Kalamata Dance Festival in Greece, the creative business accelerator in the UK, the CinecITy project in The Netherlands, and the Competency Platform for artists in Germany are all initiatives with a promotional rationale.

⁶ European Commission (2010a).

⁷ UNCTAD (2010b).

1.3 Hypotheses assessing the impact of the above-mentioned options

Supporting CCIs is an important element for the economic development and social cohesion of a territory. The following three hypotheses on the impact of investment in CCIs at the territorial level are made in line with the selection of the above-mentioned support options:

(i) *Support for CCIs contributes to growth, innovation, productivity and job creation in the creative industries.* At the social level, creative industries increase overall employment, reinforce social cohesion, promote workforce gender equality and enhance education capabilities. This seems to occur in all types of regions/cities: although academic research suggests that large-scale industrialisation of creativity and cultural innovation occurs in large urban areas, there is no direct connection between CCIs and labour market size or population. Regional distribution of industrial and innovation systems, including CCIs, is much more diverse. In rural areas, new business models can help bring innovation and sustainability to traditional forms (i.e. local crafts) and lead to economic viability. Creativity and innovation have a strong and distinctive regional dimension so policies and support instruments need to be determined locally, building on local specificities and assets and tapping into local resources⁸. This happens because CCIs are found to increase the capacity to experiment and innovate and they encompass a much larger value chain of stakeholders than artists themselves. CCIs that exploit the competences of companies as intermediaries are found to be more innovative⁹. Although economic value is highest towards the end of the value chain, all elements benefit. In the modern economy it seems that the global digital shift reinforces the position of important stakeholders such as telecoms companies or consumer electronics manufacturers, and coincides with the emergence of new, strong global players such as search engines and web-based social platforms that - while making significant contributions to the development of the market place - can potentially act as new gatekeepers.

An additional feature of interest for the economy is the role of CCIs for international trade. Nurturing world-class CCIs and exporting their work, products and services by definition entails developing links with third countries. SMEs in particular require support to establish contacts and to have their activities promoted abroad.

⁸ European Commission (2010a)

⁹ European Commission (2010a)

(ii) CCIs *contribute to the increase in tourism and tourist revenue as they create a stronger global presence, exchange and mobility*. In particular, audiovisual material helps present each region's unique cultural characteristics to the rest of the world and thus promote cultural tourism.

(iii) CCIs *have strong inter-sectoral linkages*. In particular, there are important effects in combination with education and digital services, ICT, and broadband rollout. On a more general note, first-class cultural amenities and high-tech services, good living and recreational conditions, the vibrancy of cultural communities and the strength of local CCIs are increasingly seen by cities and regions as factors that make an area more attractive. This can help regions boost their economic competitiveness by establishing a positive environment for innovation and attracting highly skilled people as well as companies. It is also argued that art and culture have a unique capacity to create green jobs, to raise awareness, challenge social habits and promote behavioural shifts in society, including our general attitude to nature. They can also open new avenues to tackle the international dimension of such issues.

2. Inventory of local and regional initiatives

Ten initiatives are described below to indicate examples of implementation of the three options outlined in section 1.2 above. The examples were selected on the basis of availability of information and of a good geographical balance across Europe. They are presented in alphabetical order, by country.

Name of the initiative	A future creative hotspot - C -Mine
Country	BELGIUM
Relevant links	EuroDean Commission. Regional Policy - Inforegio: A future creative hotspot
LRAs involved	City of Genk. The City came up with the idea, aiming to revive the region and offer new employment opportunities.
Other stakeholders	Macroeconomic impact for the whole region.
Implementation period	2001-2011
Option chosen	EU funding. Partnerships.
Description	<p>Transformation of an old coal mine into an "internationally known centre of art, recreation, tourism and entrepreneurship, notably in the creative economy/gaming industry" (C-Mine).</p> <p>C-Mine accommodates: a Media and Design Academy; a Euroscop 10-screen cinema multiplex; four creative SMEs based in the Design Innovation Laboratory; a new cultural centre, with two large theatres, an exhibition hall and meeting rooms; various tourist attractions including an underground 'experience centre' in the air shaft of the former mine, and a Centre for Creative Business Innovation and Entrepreneurship.</p>
Target groups	Residents/corporations of Genk and neighbouring regions.
Implementation procedures	The project started in 2001 and developed in phases through alliances with multiple partners including the Media and Design Academy and various other universities and research institutes.
Difficulties encountered	None reported.
Financing	Total funding is equal to 558 537 400 EUR of which the EU contribution is 317 819 800 EUR.
Evaluation	<p>The transformation of the former coal mine brought life to a former industrialised area that suffered from an economic downturn due to the closure of coal mines and automobile plants in the 1980s.</p> <p>The project focuses on educational video and computer games and is supported by the Flemish regional government.</p> <p>Currently, 500 students are enrolled in Bachelor's and Master's degree programmes in the Media and Design Academy.</p> <p>The project is expected to have a lasting macro-economic impact on the city and the region in terms of employment, innovation and tourism.</p>

Name of the initiative	Avignon Festival
Evaluation	<p>It has been estimated (2001) that the Festival generates economic benefits for the city of about 23 million EUR, without counting the financial impact of the other events (the Off, professional encounters, etc.).</p> <p>Avignon is also home to the Off, a group of about 1000 companies presenting work on their own initiative in about one hundred different venues, finding the necessary funding.</p> <p>As for the spectators, 35% come from around Avignon, 20% from the Ile-de-France, 35% from other French regions and 10% from abroad. Since 2008, the Festival has registered an average attendance of over 93%.</p> <p>The festival has an important cultural contribution as it brings together some 3500 performing arts professionals. In 2007, the Festival introduced the <i>Rencontres européennes</i>, which provides a framework for envisaging the European project through the prism of art and culture.</p> <p>The internet site, in French and English, is increasingly visited (800 000 visits in 2011). Created in June 2010, the Facebook page of the Festival has more than 11 500 fans.</p>
	The company is governed by a Board of Directors with representatives from the French government, regional administrations and qualified people from the cultural sector.
Target groups	Art professionals.
Implementation procedures	The Festival lasts one month but its preparation lasts for many months before the event.
Difficulties encountered	None reported.
Financing	<p>The budget for 2011 was 12 million EUR, distributed as follows:</p> <ul style="list-style-type: none"> - 4 million EUR for purchasing the shows and co-productions; - 4 million EUR for the preparation and operation of the different performance venues; - 4 million EUR for operations and communication. <p>55% of its financial resources come from official subsidies (54% from the French government, 24% from the city of Avignon, 9.5% from the Vaucluse administrative department, 8% from the Provence-Alpes-Côte d'Azur region, 3.5% from the Grand Avignon <i>communauté d'agglomération</i> and 1.5% from the European Union) and 45% from the Festival's own revenues (ticket sales, sponsorship, specific</p>

Name of the initiative	The Competency Platform for artists
Country	GERMANY
Relevant links	European Urban Knowledge Network: Information and education e-platform for artists - Berlin. DE <i>Universität der Künste Berlin presentation</i>
LRAs involved	City of Berlin. The project was designed by the City of Berlin, in an effort to strengthen employment opportunities.
Other stakeholders	Students.
Implementation period	2005- present
Option chosen	EU funding.
Description	The competency platform for artists is essentially an interactive e-platform for e-portfolios, information and further education. The project is aimed at strengthening employment opportunities in the city of Berlin, while building on the potential of the local cultural sector. The project is developed around three axes: 1. InfoPark 2. Blended learning workshops 3. E-Portfolio
Target groups	People engaged in the cultural sector.
Implementation procedures	Initially a pilot project was developed for a period of one year.
Difficulties encountered	The engagement of users is crucial for the success of the project.
Financing	Total budget was 522 320 EUR of which 258 864 EUR was covered by co-financing through Structural Funds and 265 456 EUR provided by national funds.
Evaluation	The platform numbers more than 2500 users. InfoPark is used daily by 100 artists and 40-60 students participate annually in workshops. E-Portfolio is used for learning and development, as a showcase and presentation e-tool for each individual, and as an "owned" product. The project has reinforced the cultural element in the municipality and enhanced employment opportunities.

Name of the initiative	Digital Content Funding
Country	GERMANY
Relevant links	Digital Content Funding (DCF) project synopsis DCF project website
LRAs involved	MFG Baden-Württemberg (Public Innovation Agency for ICT and Media) is running the Digital Content Funding (DCF) programme.
Other stakeholders	Adults, children.
Implementation period	2011
Option chosen	Partnership.
Description	The DCF, through the MFG Film Fund and MFG Innovation Agency for ICT and Media, supports the development and production of interactive media applications such as digital games, mobile applications and interactive products on various platforms.
Target groups	Projects that are innovative, culturally valuable and scalable as well as offering market potential.
Implementation procedures	Applications are filed electronically.
Difficulties encountered	None reported.
Financing	500 000 EUR is provided annually for this development programme.
Evaluation	The project is very recent and has not been evaluated yet.

Name of the initiative	Kalamata International Dance Festival
Country	GREECE
Relevant links	Kalamata International Dance Festival web oaae ant lonline.ar Dress release 9/06/2011
LRAs involved	Municipality of Kalamata.
Other stakeholders	Neighbouring municipalities.
Implementation period	1995-present
Option chosen	Promotional activities.
Description	<p>The Kalamata dance festival is a pivotal event for the southern Mediterranean area, as it builds "bridges to international dance creativity".</p> <p>A number of influential figures in the history of contemporary dance have made their first Greek appearance at Kalamata festival, which is considered to support Greek creativity in the field.</p> <p>The Municipality of Kalamata actively supports the project through funding and media actions. In 2010, a film was created for the promotion of the festival.</p> <p>Seminars and talks, for dance students and professions alike, supplement the core programme; this includes publications (17 since 1995) and video dance productions (2 since 1995), 58 parallel events (music, theatre, visual arts, photography, cinema) and workshops led by internationally renowned dancers, dance teachers and choreographers (18 since 1995).</p> <p>The programme of the festival also includes foreign productions and workshops with high-level instructors from abroad.</p>
Target groups	Dance artists, teachers, and choreographers.
Implementation procedures	The festival is an annual summer event that must be planned many months in advance.
Difficulties encountered	None reported.
Financing	The annual budget for 2010 was 700 000 EUR. This was 20% lower than the previous year. The Festival is funded by the Ministry of Culture and Tourism and the Municipality of Kalamata.

Evaluation	<p>Since it was set up in 1995, the programme has included:</p> <ul style="list-style-type: none">- 72 international & 31 national companies- 171 performances by international companies- 61 performances by Greek companies- 60 Greek premieres- 8 productions, 2 co-productions <p>The festival is an important cultural event for the region, adding to its cultural identity and economic growth.</p>
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Name of the initiative	Basilicata coast to coast
Country	ITALY
Relevant links	European Commission. Regional Policy - Inforegio: The magic of film promotes the region of Basilicata
LRAs involved	The region of Basilicata.
Other stakeholders	
Implementation period	2008
Option chosen	EU funding. Promotional activities.
Description	The region has produced the film with a view to promoting the beauties of Basilicata. The film aimed to provide an alternative communication campaign for the region.
Target groups	General public.
Implementation procedures	The film was coupled with a promotional campaign of the Agency for Touristic Promotion of Basilicata and satisfied all marketing objectives. The agency promoted tours of the film location, together with special guides and special holiday offers.
Difficulties encountered	None reported.
Financing	Not available.
Evaluation	The film was a great success. It was screened in 215 Italian cinemas and attracted an audience of more than 500 000 people in the first two weekends of opening. Ticket sales accounted for over 3 million EUR. The film won the 'Nastro d'Argento' 2010 for the best directorial debut and best screenplay.

Name of the initiative	Construction of world class music venue
Country	POLAND
Relevant links	European Commission. Regional Policy - Inforegio: Stage set for world-class music venue
LRAs involved	City of Wroclaw. The City of Wroclaw came up with the idea, in an effort to raise the cultural level of the region and enhance economic growth.
Other stakeholders	National and international artists.
Implementation period	2007-2013
Option chosen	EU funding.
Description	<p>Construction of a venue suitable for holding large cultural events, offering the technological and acoustic equipment required by modern event organisers, and able to welcome large numbers of spectators.</p> <p>The building (National Music Forum building) will have a total area of 48 178 m², developed over five floors, including a large concert hall with 1822 seats, a foyer, three smaller concert halls and an office and technical area. Other features include an exhibition space, a recording studio, interpreters' booths, cloakrooms, storage rooms, a restaurant and kitchen facilities, a cafeteria, a library (including a music library), and a cultural information centre.</p>
Target groups	The residents of Wroclaw and neighbouring regions.
Implementation procedures	The installation of state-of-the-art communication and sound systems was imperative for attracting national and international artists.
Difficulties encountered	None reported.
Financing	Total funding is equal to 48 088 300 EUR, of which the EU contribution is 40 875 100 EUR.
Evaluation	The venue will raise awareness of cultural issues in the region. It will stage about 700 events per year, with annual visitor numbers in the region of 400 000.

Name of the initiative	CinecITy project
Country	THE NETHERLANDS
Relevant links	European Urban Knowledge Network: CinecITy' Rotterdam example of redevelopment of former industrial sites <i>Ministerie van Volkshuisvesting, Ruimtelijke Ordening en Milieubeheer</i> <i>Project description</i>
LRAs involved	Rotterdam municipality. The Council provided funding and used the Rotterdam Film Fund (RFF) and the Rotterdam Development Corporation (<i>OntwikkelingsBedrijf Rotterdam</i> , OBR) for promotional activities. The RFF aimed to promote the audiovisual activities in the city with an annual budget of 2.75 million EUR, plus support for start-ups. The Rotterdam Development Corporation is responsible for real estate development and attracting new businesses in the sector.
Other stakeholders	Construction companies, long-term unemployed to whom the construction companies were obliged to offer employment.
Implementation period	2001-2008
Option chosen	Promotional activities.
Description	The CinecITy project is a project for the reconstruction and re-use of existing industrial buildings, through a unique combination of hardware and software. The project is tailored to the audio-visual and film industry. The project is aimed at stimulating media activities through the re-designation of existing buildings.
Target groups	Companies in the audio-visual and film industry.
Implementation procedures	The project was developed in phases. Measures were taken to improve safety through the installation of cameras in and around the buildings. The construction company was committed to employ the long-term unemployed. The Council used Rotterdam Film fund (RFF) as an instrument, and the support provided by OBR.
Difficulties encountered	There were difficulties in renting the constructed buildings, which led to delays in the construction programme.
Financing	An initial 6 400 000 EUR subsidy came from the municipality. Subsequent development was financed through partnerships.
Evaluation	The project rejuvenated the area and enhanced employment opportunities. It stimulated audio-visual activities in the area.

Name of the initiative	Creative business accelerator
Country	UNITED KINGDOM
Relevant links	London Metropolitan University web page and project description London Development Agency. project synopsis
LRAs involved	City of London through the London Development Agency.
Other stakeholders	Employees in the creative industry.
Implementation period	2005-2008
Option chosen	Promotional activities.
Description	The project is a virtual business incubation centre for the creative industries. It is specifically aimed at start-ups and established companies in the creative industries, across all the main subsectors, provided that they demonstrate vision and growth.
Target groups	Start-ups and established companies.
Implementation procedures	The project offered participant companies an office environment; access to investor networks; the use of high-quality meeting rooms; entrance to exclusive events and training; and student and graduate internships. Furthermore, workshops were offered, introducing participant companies to sources of investment, the investment process, investor targets, legal issues and marketing issues relevant to investment in the creative industries.
Difficulties encountered	- Lack of post-investment support. - Finance raised was not monitored by the project.
Financing	The London Development Agency only provided financial support to the tune of GBP 343 313.
Evaluation	The initiative provided technical support to participant companies, enabling them to maximise their chances of obtaining funding and facilitating the development of their products or services.

Name of the initiative	Govan Digital Media Centre
Country	UNITED KINGDOM
Relevant links	European Urban Knowledge Network: Govan Digital Media Centre: tackling social exclusion and stimulating the digital media sector - Glasgow. UK
LRAs involved	Govan, Glasgow. The municipality facilitates the construction of the site in terms of permits and liaison with competent authorities.
Other stakeholders	Corporate businesses in Govan area.
Implementation period	2004-2006
Option chosen	EU funding.

Description	<p>Govan Digital Media Centre is a high-technology, multi-media centre offering affordable, high-quality incubator space as well as a wide range of benefits and services to the creative and digital industries.</p> <p>The centre provides incubator space for start-ups in the digital media sector and training space for an industry-centred Academy where local residents can learn new skills in order to access employment opportunities in the digital media industries.</p> <p>The centre hosts 24-hour security, broadband wireless access, transport</p>
Target groups	<p>Start-ups in creative industries (multi-media). links by underground and bus as well as parking facilities, a 32-seat auditorium, a render farm and editing suite, seminar rooms and breakout space.</p>
Implementation procedures	<p>A key tenant and a sizeable number of businesses were secured prior to the completion of the construction.</p> <p>The building was fitted out and opened in Spring 2006. A leading Scottish digital animation SME has moved in as a key tenant, and the business incubator units are around two-thirds full.</p> <p>Training is now available within the centre, supported by the European Social Fund, and a full range of training delivery partnerships has been developed. This includes those directly developed with the industry.</p>
Difficulties encountered	<p>None reported.</p>
Financing	<p>Total budget was 5.3 million EUR, of which 2.2 million EUR came from Structural Fund (ERDE) co-financing, 544 254 EUR from national public co-financing, and 2.6 million EUR from national private co-financing.</p>
Evaluation	<p>The centre contributed to overall employment in the region, as it created:</p> <ul style="list-style-type: none"> - 24 ETE construction jobs; - 1 new job for disabled people; - 3 new jobs for members of ethnic minorities; - 10 new jobs for women; - 30 additional new j ob s ; - 86 positive outcomes for local people (education/job progression); - 166 training spaces; - 6 jobs for previously unemployed people.

3. Recommendations

For the promotion of CCIs at the local and regional level, regional authorities have access to a variety of tools and new ideas, enabling them to take steps to enhance culture and at the same time offer new opportunities for economic growth. The following list of recommendations can act as a basis for further reflection:

A: General recommendations

A.1. *Investigate the role of CCIs in a region as a means to speed up the economic recovery.* The cultural sector may not be a high-tech industry but it requires less funding than an average economic sector and it may offer more resilient, inclusive, and environmentally viable paths to growth. This makes it a very interesting strategy for the current economic recovery. LRAs need to investigate which areas and topics constitute local strengths that can be promoted. Each region has some possibilities and they need to be identified: large cities and wealthy regions have the possibility and means to become multi-level poles of creation and attraction; however, smaller and less favoured regions are in a position to make known their cultural abilities to the rest of the world.

A.2. *CCIs support needs strategic and inclusive thinking.* To be successful, integrated development strategies should be defined at relevant territorial levels, in partnership between the authorities in charge of the different public policies (such as economic development, employment, education and culture) and the representatives from civil society, namely business, workers and citizens associations¹⁰. CCIs are best nurtured in interdisciplinary environments, hence it is recommended to help build new bridges between art, philosophy, science and business. In order for effective links to be made between the CCIs and fields such as education, industry, research or administration, there is a need to build real "creative partnerships" and to implement effective mechanisms for transferring creative knowledge such as design to other sectors.

A.3. *CCIs' support should not be limited to support for art and creativity but cover all connected industries allowing culture to reach its audience.* Public investments in culture should not only address support for individual or collective art production but also target areas crucial for CCIs, such as new business models, creativity and innovation, digitisation, skills and improvement of human capital, and creative partnerships with other sectors. In this process, it is important to build private-public initiatives to support artist-led

¹⁰ European Commission (2010a).

experimentation, which can be effectively used to the mutual benefit of cultural enhancement and business profitability. Issues on intellectual property must be resolved technically and protected in their implementation.

B: Specific recommendations at the level of implementation

B.1. Identify the appropriate areas. Supporting CCIs may require large or more limited spaces. Large space is needed for larger partnerships and very ambitious events. However, even small and inexpensive solutions can be found: using unused space (like the old coal mines in Belgium) is an inexpensive solution for establishing cultural sites. The Information Society is a great opportunity to support artists through special parks and networking events, either with real or even virtual sites (as in the case of London's creative business accelerator).

B.2. Identify the type of CCIs to be supported. While traditionally CCIs were associated with visual or performing arts, the scope is now changing and being enriched. Audiovisual (in the case of Rotterdam) and interactive media applications (in Baden-Württemberg, Germany, or in Govan, UK) are new forms that are supported with significant success on a global scale.

B.3. Identify the appropriate financial support. While direct grants and classical funding schemes are used more frequently, new models and innovation voucher schemes, such as the "Creative Credit" that helps businesses to develop their ideas by teaming up with CCIs, seem very promising in this respect¹¹. Another tool that is often used is experimentation laboratories. Creative credits and experimentation are more appropriate for small-scale interventions.

B.4. Plan the economic horizon together with the support. When a region wishes to create cultural attractions and translate them into longer-term economic benefits, the longevity of the measures undertaken is of paramount importance. For all measures, but more importantly for those related to promotion, building up a brand name takes time. The cases of Avignon and Kalamata, each one in its own scale, indicate the relevance of the time horizon for success.

B.5. Incorporate the idea and means of CCI exports into the overall local strategy. Industry-to-industry dialogue, scouting missions and market intelligence, and collective representation at international fairs are among the specific tools developed to support exports. Cooperation schemes¹² offer both an opportunity for mutual learning and a network of contacts.

¹¹ [Creative Credits](#), by NESTA, UK.

¹² Such as the ones supported in the MEDIA International preparatory action (2008-2010) and MEDIA Mundus (2011-2013).

B.6. *LRAs can and should play an effective role in informing local companies about ways and means to promote local cultural activities.* The private sector often plays an important role in cultural promotion through donations or support in the context of corporate social responsibility. While in general, private donations are associated with the fiscal regime, which is determined at the national level, such support can also be encouraged at the local level.

B.7. *LRAs should establish the necessary observatories and indicators to effectively monitor CCIs' progress in the region and their role in the regional economy.* In particular, now that international organisations are placing an emphasis on a standardised measurement methodology¹³, benchmarking over time between peers will prove very pertinent.

B.8. *CCIs should be given a special role in boosting tourism.* Cultural tourism is among the oldest forms of tourism, generating income for regions with a rich cultural heritage. This can be further promoted by using appropriate channels of distribution. However, what is more relevant for policies is the challenge (and ability) to generate tourism flows for new cultural achievements. The organisation of coordinated events is recommended but more importantly, change can be made through longer-term commitments associating a region with specific international cultural events, which become a flagship and attract tourists for a particular annual event. This can be done by means of smaller-scale tourism promotion (as in the case of Basilicata) or with large-scale, brand building promotional activities (as in the case of Avignon).

¹³ UNCTAD (2010b); OECD (2007); OECD (2007b)

Appendix I - List of references

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