

Brussels, 16 August 2011

Subject: Report of the meeting of the Working Group of Member States' experts on the *"strategic use of EU support programmes, including structural funds, to foster the potential of culture for local and regional development and the spill-over effects of CCIs on the wider economy"* (Brussels, 7 June 2011).

SUMMARY

This was the second meeting of the Expert Group. 23 Member States were present, as well as representatives from the field (Sylvia Amman from the Interreg-funded network Creare) and the civil society platform on cultural and creative industries (CCIs) (Jean-Marc Leclerc and Daphné Tepper). The Commission was represented by Catherine Magnant, Sylvain Pasqua and Claire-Lyse Chambron from DG EAC.

The aim of the meeting was to get a better common understanding on how to proceed to achieve the mandate given to the Group, i.e. the production of a policy handbook and the reflection on an awareness-raising campaign.

The group had a plenary meeting in the morning while subgroups were organized after the lunch break along the following lines :

- **Subgroup 1: Mapping and creating pre-conditions for developing CCIs (initial phase);**
- **Subgroup 2: Strengthening CCIs, supporting the development of cultural and creative enterprises;**
- **Subgroup 3: Spill-over effects, bridging CCIs with the rest of the economy (including innovation, tourism, etc.).**

The subgroups presented their respective preliminary reflection in the late afternoon. It was agreed that **they would prepare a report by the end of September**. All the contributions will then be merged into one single **document by October**. This document **will be discussed during an "unofficial" meeting scheduled on 21 October in Tallinn** in the margins of the international Conference "Creative Entrepreneurship for Competitive Economy" (19-21 October). The Commission suggested that the **objectives of the Group and the progress achieved so far be presented** during two major events it organizes: **the Opendays (11 October) and the European Culture Forum (20-21 October)**.

During the meeting, it was decided that the subgroups should keep in touch (eventually through SINAPSE) to ensure that their work is **consistent** and avoid **any overlap**.

The third and last official plenary meeting of the Group is planned on **29 November** (tbc). Before that date, several subgroups' meetings are planned. It is expected that the Group reports back on its outcomes during the last CAC meeting of the year, which will take place on **13 December** (tbc).

The final document should be completed by the end of the year.

DETAIL

23 Member States attended this second meeting of the Expert Group (AT, BE, BG, CY, CZ, DE, DK, EE, EL, ES, FI, FR, HU, IE, IT, LV, LT, NL, PL, PT, SE, SI and SK).

The Agenda of the meeting was approved.

MORNING (9h30 – 13h00): plenary meeting

1. **Ragnar Siil**, Chairman of the Group, thanked those experts who have already sent their examples of good practices, and informed the Group that all contributions have been uploaded on the following webpage: <http://www.creativeindustries.ee/omc>.

This is still to be seen as a work in progress and experts who have not sent any contribution yet were invited to do so as soon as possible. It would also be helpful to have cases focusing on access to finance, support to CCIs' exports, support to innovative projects and links with universities.

It was highlighted that some countries had provided material with ideas for the next financial period (2014-2020). This was deemed important as this clearly shows a readiness to invest in CCIs after 2013. The Chairman urged all countries having already started developing ideas to support CCIs from the EU budget in the period 2014+ to share them with the Group.

He once again reminded the Group that, according to the mandate given to them, two main outputs were due to be delivered by the end of 2011:

- A policy handbook that identifies, compares and models good practice in this field for the attention of both managing authorities and cultural sector operators, including CCIs especially; it also examines the spill-over effects of the CCIs on the wider economy, particularly in terms of innovation, and the potential for making better use of EU support programmes to foster these effects;

- A Reflection on a joint EU-wide awareness raising initiative by the Commission and Member States to promote the integration of culture in regional and local development policies and to support smart specialisation strategies.

The aim of the meeting was precisely to get a better common understanding on how to proceed to achieve this.

In order to ensure the timely delivery of the expected output, the Chairman suggested that the group should be divided into three subgroups along the following lines:

- Subgroup 1:** Mapping and creating pre-conditions for developing CCIs (initial phase)
- Subgroup 2:** Strengthening cultural and creative industries, supporting the development of cultural and creative enterprises
- Subgroup 3:** Spill-over, bridging CCIs with the rest of the economy (including innovation, tourism, etc.)

The three subgroups are expected to describe support measures using EU money that are implemented at national or regional/local levels. Building on already existing studies, the reports by the last OMC group and the Civil Society Platform as well as the contributions newly

collected from the Member States, the subgroups will identify those good practices that are especially relevant to their focus area and draw out recommendations. Each subgroup should in particular:

- Identify good cases relevant to the topic in question;
- Identify mapping and information gathering needs;
- Model those cases into recommendations and arguments for policies, measures, programmes, etc.;
- Analyse networking and partnerships necessary for developing CCIs, including cross-border cooperation possibilities;
- Highlight the working processes and working methods in cross-departmental cooperation;
- Analyse different financing models;
- Identify needs and suggest recommendations for awareness raising activities.

Deadline for subgroups' output: end of September 2011. Each group will appoint a contact person; the chair will coordinate all subgroups. **All contributions will then be merged into one single document by October.** This document will be discussed during the next plenary Expert Group meeting. In the meantime, **an "informal" meeting of the whole Group will be held in Tallinn in the margin of the International Conference on Creative Economy (www.creativeestonia.eu) (19-21 October).** No expenses will be covered by the Commission for this informal meeting.

The last official plenary meeting of the group will take place in Brussels on 29 November (tbc). The policy handbook must be ready by the end of this year.

2. The Commission (**Catherine Magnant**) congratulated the chairman and thanked the Group for the progress achieved since the previous meeting.

The work of the Group is of particular importance in the context of the current but also next multiannual financial framework (MFF) of the EU budget and the challenges of the future cohesion policy: in the first place as regards the use of the structural funds in the framework of the present programming (two thirds of these funds have not yet been spent), and then with regard to the programming for 2014-2020.

Catherine Magnant informed the Group that the Commission would submit its proposals:

- for the EU budget post 2013 in June (<http://ec.europa.eu/budget/reform>),
- for the general regulations regarding the structural funds post 2013 by the end of September, and
- for the next funding mechanism for culture (Creative Europe framework programme) by the end of the year.

Negotiations for the budgetary allocations will be tough within the Commission, and between the Commission, the Member States and the European Parliament. If we want culture to be allocated a fair share of the overall EU budget post 2013:

- we now have to highlight the links with Europe 2020, which is mainly about generating smart, sustainable and inclusive growth;
- the sector has to speak with one strong voice, creating a narrative which illustrates why culture is so important for the development of forward-looking, efficient and cohesive knowledge-based societies in Europe;

- the whole spectrum of CCIs must be taken into account (including heritage, cultural tourism and also the non-commercial sector), each with its own distinctive characteristics.

Catherine Magnant drew the Group's attention to some important initiatives related to the Cohesion policy and the work of the Group:

- **The European Creative Industries Alliance** (call published in March; deadline set on 24 June) aiming to boost emerging areas in CCIs and encourage an innovative spill-over to more traditional industries;
- **Regions for Economic Change Conference and Regiostars Awards 2011 (Brussels, 23-24 June):** As part of this conference, the **smart specialisation platform (S3)**, presented to the Group during its first meeting (see relevant minutes), will be launched; this platform will help regions to be as well prepared as possible for the next programming period of the Structural Funds, and to implement « smart specialisation strategies ». These strategies aim to encourage regions to specialize in those sectors where they already have some strong assets. They also call for co-investment from the regions, the MS and the Commission in joint ventures;
- **Opendays 2011 European Week of Cities and Regions (Brussels, 10-13 October):** in liaison with DG REGIO, DG EAC is holding a workshop on « cultural and creative industries: innovation and smart specialisation strategies » on 11 October. Ragnar Siil agreed to represent the Expert Group in the panel;
- **The European Culture Forum 2011 (Brussels, 20-21 October):** This Forum - the third one organised since the adoption of the European Agenda of Culture by the Commission in April 2007 - will cover different thematic areas including regional development. It is a unique opportunity to debate and raise the profile of European cooperation in the field of culture together with 800 policy makers and stakeholders from the sector from all over Europe and from partner countries. Although the Forum coincides with the Conference on Creative Economy in Tallinn (19-21 October 2011), the Expert Group should be represented so as to participate in an information session devoted to the Open Method of Coordination in the field of culture, featuring work currently under way.

Last but not least, it is expected that the group reports back on its outcomes during the last CAC meeting of the year, which will take place on **13 December** (tbc).

3. Presentation by **CREARE** (see attached Powerpoint): **Sylvia Amann**, General Secretary, provided information on the INTERREG IVC project CREA.RE – CREATIVE REGIONS (www.crea-re.eu) and made recommendations regarding the development of CCI policy within the Structural Funds. The project, with a total budget of € 2.3 Mio comprising € 1.8 Mio from the European Fund for Regional Development (ERDF) and contributions from 12 local and regional authorities from 10 EU Member States, will be implemented till March 2013. These authorities aim to start developing CCI policies and to influence the next programming period of the Cohesion policy. The CREA.RE recommendations are as follows:

- a strong statistical reference framework for regions beginning to develop a CCI policy;
- starting with smaller units to accelerate tangible outcomes;
- Europe-wide and interregional benchmarking with a view to fine-tuning policy measures;

- local working groups as a precondition for successful CCI policy development, involving Managing Authorities as well as professional moderators;
- strategic planning for the new Structural Funds period based on the EU 2020 Strategy / flagship initiatives, including ERDF, ESF and EAFRD related CCI measures;
- a broad definition of the term "innovation", crucial for the successful integration of CCIs in the new funding programs;
- seed funding and small project facilities in the Structural Funds as financial tools, adapted to the needs of the small structures in the CCIs.

4. Input from civil society platform on cultural and creative industries: **Jean-Marc Leclerc** (EMO, secretariat of the platform) and **Daphné Tepper** (Culture Action Europe, co-organiser of a platform's seminar dedicated to structural funds) (see attachment)

Jean-Marc Leclerc insisted on the need to create synergies and complementarities between the working group and the platform on CCIs. He then said that the last plenary meeting of the platform was held on 23 May and that it was then decided to have five workshops organised on the following themes: finance and taxation, regional cohesion, digital environment, mobility, education and skills. The seminar on regional cohesion took place on 17 February and its outcomes were presented by **Daphné Tepper** (see attachment).

It is to be noted that there is a clear connection between the work carried out by the Platform and the mandate of the Expert Group. Under the auspices of the Commission, a meeting was organized on 19 May between Ragnar Siil and the secretariat of the platform with the view to beef up the links between the two groupings.

5. Questions-answers/information of the experts

The next step would be to create models from the case studies.

The Commission pointed out that the mandate of the group is very precise concerning the concrete results to be achieved limited timeframe: by the end of the year. The Group and the sub-groups seem to be working along the right lines with regard to the handbook.

It should also focus on what can be done in concrete terms to better use the Structural Funds for CCIs and convince national and regional authorities, as well as the cultural community and the managing authorities of the SF, of the appropriateness of using structural funds for CCIs.

As mentioned in the OMC meeting on 12 April, **the Austrian Ministry for Education, Arts and Culture** plans to host several workshops regarding the EU work plan for culture in order to inform stakeholders about current EU topics and involve them in the process.

One of these workshops will concern CCIs and will be held in Austria on 13 October 2011: Cultural and Creative Industries. The expert group and the European Commission should be represented

6. The Commission (Edith Guetta) presented SINAPSE. SINAPSE is a web communication platform, and its members can create e-communities in order to share a common expertise or interest. The e-communities contain several modules: a library of documents, a library of links, a calendar and a message board restricted to the community members. Members also have the possibility of launching discussions and surveys as well as sending messages to all or any number of the members. There is the possibility of creating public pages and initiating public consultations/debates. In each community tool/module, the information is organised in folders, whose structure (folder tree) is managed by the Community administrator(s) to match the

evolving activities of the group. If need be, it is suggested that the Commission creates a dedicated structure for the Expert Group in SINAPSE.

AFTERNOON

1. Sub-group MEETINGS (14h30 – 16h30)

The work continued in sub-groups

a. Sub-group 1 discussion was moderated by Iveta Cirule (Latvia) (Iveta.Cirule@km.gov.lv). This working group will have an additional meeting in Riga. (As Iveta Cirule is due to leave the Ministry on 1 September, Ragnar Siil will take over the moderation of the sub-group).

b. Sub-group 2 discussion was moderated by Mirka Lachka (Slovakia) (mirka.lachka@theatre.sk). This working group will have an additional meeting in Turku. **Kirsi Kaunisharju (Finland) was later appointed as the contact person for the sub-group.**

c. Sub-group 3 discussion was moderated by Grainne Miller (Ireland) (gmillar@templebar.ie), who will act as the contact person. This group will have an additional meeting in Brussels.

Ragnar Siil gave some recommendations (cf. ANNEX) for each sub-group.

2. Presentation of the results of the sub-groups' discussions (cf. minutes of the three sub-groups in ANNEX)

3. Conclusions and distribution of the work ahead (meeting the Expert Group's objectives - organisation of the work)

As a conclusion, the Chairman stated that it was important to think ahead proactively, and more specifically:

- Make sure that sub-groups keep in touch and think carefully about the questionnaires that they intend to send. Avoiding overlaps between the work of the various subgroups is a major issue in this context;
- Organise other sub-groups' meetings. Every expert may feel free to join any or more than one sub-group;
- Send to the Chairman and the Commission the minutes of all these meetings;
- Finalise the sub-groups' proposals including models and good practices by the end of September (cf. "Recommendations" and "Powerpoint for more guidelines and framework for next steps" in the ANNEX).

A third and last official plenary meeting will be held on **29 November in Brussels (date tbc)**.

The final document (policy handbook and reflection on "a joint EU-wide awareness raising initiative by the Commission and Member States to promote the integration of culture in regional and local development policies and to support smart specialisation strategies") **must be completed by the end of the year.**

**Compilation of recommendations
for unlocking the potential of cultural and creative industries
in the local and regional development**

SOURCES OF RECOMMENDATIONS

1. The Platform on the Potential of Cultural and Creative Industries, draft recommendations of the workshop on how to enhance the support of the EU Structural Funds to the CCIs, Brussels, 17 February 2011;
2. The Economy of Culture, prepared for the European Commission by KEA European Affairs, 2006¹
3. The Impact of Culture on Creativity, prepared for the European Commission by KEA European Affairs, 2009²
4. Study on the Contribution of Culture to Local and Regional Development - Evidence from the Structural Funds, prepared for the European Commission by Centre for Strategy and Evaluation Services, 2010³
5. Final report of OMC Expert Group on maximising the potential of cultural and creative industries, in particular that of SMEs, 2010⁴
6. Recommendations for Cultural and Creative Industries, Platform on the Potential of Cultural and Creative Industries, 2009⁵
7. The Entrepreneurial Dimension of the Cultural and Creative Industries, prepared for the European Commission by Utrecht School of the Arts, 2010⁶
8. Analysis of the consultation launched by the Green Paper on "Unlocking the potential of cultural and creative industries", European Commission, 2011⁷

RECOMMENDATIONS**Subgroup 1: Developing pre-conditions**

Establishing strong evidence base

1. A strategic approach to the cultural sector needs to be informed by the development of appropriate statistical tools and indicators at both national and European levels. (2)
2. The recognition of culture as a resource for creativity should take place at statistical level, with a view to better grasp the socio-economic importance of arts and the creative sector as well as give more value to intangible assets. Value the importance of creativity and intangible assets in statistics and scoreboards. With a view to better capture the economic and social importance of culture-

¹ http://ec.europa.eu/culture/key-documents/doc873_en.htm#bad_nodepdf_word/economy_cult/executive_summary.pdf

² http://ec.europa.eu/culture/key-documents/doc/study_impact_cult_creativity_06_09.pdf

³ http://ec.europa.eu/culture/key-documents/doc/studies/final_report_SF_en.pdf

⁴ http://ec.europa.eu/culture/our-policy-development/doc/library/EU_OMC_WG_CCI_Final_Report_June_2010.pdf

⁵ http://ec.europa.eu/culture/our-policy-development/doc/platform_CCI_paper.pdf

⁶ http://ec.europa.eu/culture/key-documents/doc/studies/entrepreneurial/EDCCI_report.pdf

⁷ http://ec.europa.eu/culture/our-policy-development/doc/analysis_green_paper.pdf

based creativity it is recommended to: Review statistical information to better capture the intangible and non-technology innovation, incorporate cultural indicators in innovation scoreboards and establish an index to measure the environment promoting culture-based creativity. (3)

3. Further analysis of the rich and dynamic contribution that culture-based interventions are making to: the knowledge economy and innovation, employment creation and social cohesion. Similarly, the potential role of culture in promoting creativity, motivating entrepreneurship and improving communication on major issues faced by European society needs to be explored further. Attention needs to be paid to the development of better evaluation techniques and methodologies and their more extensive application, again making use of existing good practice. (4)
4. Policy and governments should recognize the importance and economic value of the CCIs and encourage the mapping of creative activities and the launching of creative programmes at all geographical levels. (5)
5. Develop evaluation tools to assess the impact of the funding mechanisms in terms of employment, value added, return on investments, etc. and give particular attention to evaluation of tax credit measures and their efficiency at EU level. (5)
6. Use best practices and statistics to demonstrate the importance and economic value of the CCIs. At EU level a clear working definition of CCIs should be put into use and statistical data and indicators providing a sound knowledge base and ability to measure progress should be collected, produced and made commonly known. (5)
7. Detailed analysis and studies on CCIs statistics, mapping exercises outcomes and best practices databases should be developed in order to provide a sound knowledge base on the sector, thus allowing to identify the potential and different characteristics of the existent subsectors, to evaluate where the externalities of creativity (spill over effects) are mostly operating and to contribute to feeding up the global competitive strategies of the EU. (5)
8. At national and regional levels cultural issues and policies should be strategically considered, a statistical framework for CCIs, in coordination with the EU (Eurostat), should be implemented into national CCIs strategies and CCIs should be carefully mapped at national and regional levels taking into account their national, regional and local distinctiveness. (5)
9. Generate better statistics (data and figures) on the importance of growth activities, production and performance of cultural and creative industries in Europe as well as statistics specific to the sector. (6)

Cooperation and institutional framework

1. In the same way some Member States set up task forces involving the participation of different ministries (in addition to the Cultural Ministry, the Ministries of Economy and Finance, and the Ministry of Trade), it is recommended that a “Creativity Task Force” be established within the European Commission. It would include representatives from the following Directorates Generals: DG Education & Culture, DG Information Society & the Media, DG Research, DG Enterprises, DG Competition, DG Trade, DG Development and DG Internal Market. (2)
2. EU should be a potential provider of funds (in particular through the financing instruments of the cohesion policy) for the setting up and networking of

intermediaries and partnerships, as well as for supporting knowledge transfer mechanisms. Its role could also consist in reviewing and disseminating the best practices and establishing links between the numerous national, regional, local and other initiatives. (8)

3. At national and regional levels: Cooperation among various ministries and other authorities, as well as among various departments of regional authorities. Permanent contacts between the decision makers and the players/stakeholders of CCI in order to define strategic goals and implement relevant interventions for national and local competitiveness. (5)
4. At EU level: Cooperation between the European Commission directorates (enterprises, industry, innovation, competition, trade, education, culture, etc.), supported by the governments of member states, as well as with the European Parliament and advisory institutions taking part in EU decision-making (like Committee of the Regions and ECOSOC). (5)
5. At EU level: Conditions should be provided for a permanent and well functioning exchange of relevant information, for a common database/platform of good/bad practices between the member states and for developing and introducing clearly defined tests to assess the impact of EU measures. Facilitate exchanges of best practices between Member States in the field of funding mechanisms for SMEs operating in the CCIs. (5)
6. At EU level: Both analytical and awareness work could lead to the establishment of a specific interdisciplinary EU Task Force or Observatory to collect information, compare practices about CCIs as specific sectors of the economy, follow the implementation of some major recommendations and monitor the periodical development of a "European Creative Economy". (5)

Awareness

1. A better understanding between investors and CCIs - a first precondition for making access to funding easier is to establish effective communication between CCIs and financial institutions. Targeted awareness-raising campaigns which would show the economic potential of CCIs. Public authorities have an important role to play in facilitating the setting up of links and new forms of partnerships between CCIs and investors. (8)
2. In particular the identification and exchange of best practice at a European level needs to be strengthened and include innovative actions. (4)
3. Promote artistic creation and entrepreneurship at both a European and Member State level to reflect the added value that artists, authors and cultural entrepreneurs can bring to society as a whole. (6)
4. EU should encourage greater networking between national initiatives in this field, including peer coaching initiatives, across Europe. In this regard, it should, among other things, collate and disseminate success stories at the European level, provide information on support mechanisms existing at EU level and promote knowledge and experience transfer, including through reinforced partnerships between education institutions and businesses. Audio and video podcasts, fora, blogs, newsgroups and other information-sharing systems could be useful in this context. (8)

Cultural policy and diversity

1. Protect and promote cultural diversity and intercultural dialogue, consider cultural diversity as an EU asset. Increase efforts required to include the

potential of CCIs in significantly contributing to intercultural dialogue and intercultural understanding, especially by allowing the Europeans to experience the cultural production of their neighbours and partners from other countries and continents. (5)

Policy and strategy

1. Policymakers at all levels must integrate CCIs to their thinking and develop appropriate tools for the CCIs to be fully tapped in the current and next cycle of EU Structural Funds. Culture and Creative Industries should become an obligatory priority in the future Common Strategic Framework. (1)
2. Awareness of the contribution of CCIs, and especially the SMEs, to local development should translate into all regional development guidelines, and at all levels of Structural Funds decision-making (EU, national, regional and local). (1)
3. EU Structural Funds should support local initiatives that associate creativity and the cultural sector as recommended by 1996 Commission's Communication Cohesion Policy and Culture, A Contribution to Employment". They should in particular support creative industries as an innovative job engine. (2)
4. The ability to engage with the creative sector, in particular SMEs, so that they can participate to R&D programmes and interaction with the technology sector should be encouraged. The 7th FP should act as a matter of priority regarding the digital shift – to make the most of opportunities fuelled by technological innovation. (2)
5. Cultural stakeholders (from the sector and in local and regional authorities) should be involved in all steps of the negotiation and implementation process of the EU Structural Funds. (1)
6. It is recommended that EU structural funds support both traditional art and heritage sectors and cultural industries on the following grounds: (a) They significantly contribute to employment at local levels; (b) They have a significant potential for growth; (c) They play a significant role in improving social integration and territorial cohesion; (d) Using culture as an economic & social tool can be a winning strategy in urban, industrial as well as agricultural areas. (2)
7. The R&D focused policy should embrace creativity and contribute to foster multi-disciplinarity and interactions between art, sciences and businesses. Policy should foster integration of design thinking in businesses, association of creative SMEs to research programmes on networked media, promotion of multilingualism applications through creative media (dubbing, subtitling, translation), clustering of research centres with art and design schools, communication on sciences and research to the general public through art, valuing intellectual property as much as industrial property (patent, trademarks) in innovation policies, SME policy (in the field of enterprise and information society) which engages more with SMEs in creative and cultural industries. At EU level, it could be done by helping them to participate into consultative platforms used by the EC to set its funding priorities (Cultural and creative businesses are essentially confined to programmes focused on cultural exchanges rather than on industrial policy actions). (3)
8. Policy actions in Europe should include sharing of best practices in managing cultural investment for economic and social gains, funding regional culture-based creativity strategies, promoting cross regional partnerships to improve market access of local culture based creativities, make investment in culture a

priority in regional policy instruments as part of the innovation strategy, researching links between culture and regional economic and social development, develop specific venture capital or investment funds in the regions to support creative industries. (3)

9. A cultural policy should ensure that European creativity circulates within Europe and cross- fertilises innovation processes. It should promote collaboration across the numerous national or regional cultural institutions to give a European dimension to their cultural activities. Member States should move from cultural competition to cultural collaboration to make European cultures internationally audible, contemporary creation as much as heritage preservation, artists' mobility, artistic and business projects with international scale that celebrate the common heritage of European cultures and which associate the public at large, distribution of contemporary creation in literature and cinema through dubbing, sub-titling or translation, a vision of culture that is not subsumed to economic imperatives and ends. (3)
10. Specifically, the potential contribution of the creative sector to the main elements in the emerging strategy for Europe 2020 needs to be better articulated and its impacts across the full range of Structural Fund objectives acknowledged and promoted further. (4)
11. Resources available for culture-based interventions under the Structural Funds should be more commensurate with the size and growth potential of the creative sector. (4)
12. There should continue to be encouragement of a longer-term and more strategic approach to culture-based development at a local and regional level. (4)
13. To be successful, it is necessary for culture-based development to be mainstreamed into integrated development strategies, at a local or regional level, built on partnerships between public authorities, cultural organisations, the relevant business interests and representatives of civil society. (4)
14. At EU level: review and ensure the coherence of existing measures/resources and of the use of Structural Funds (as well as Cohesion Fund, and sectoral/horizontal programs) in order to include CCIs whenever possible and rationale. Start, renew or adapt direct and indirect appropriate sources and measures of support to CCIs. (5)
15. Ensure the effective implementation of the article 151.4 of the EC Treaty including the SME dimension, through the mainstreaming of culture in all Community policies, particularly in competition, internal market, information society, social, trade and industry policies. Ensure the implementation of the 2005 UNESCO Convention on cultural diversity and of WIPO Treaties on authors' and neighbouring rights at all levels. Shape a favourable regulatory environment for cultural SMEs in line with the Small Business Act for Europe and target a specific status for cultural SMEs. (6)
16. CCIs as key ingredients for integrated local/regional development policies - the need to embed cultural and creative sectors in local/regional development policies. (8)
17. EU should encourage – at EU level – more interdisciplinary policy making and an integration of policies that are supporting creativity in domains such as R&D policy, innovation policy, regional policy, industrial policy, education policy etc. Furthermore, the EU should encourage local or regional development strategies to fully promote the spill-over effects of CCIs on the regional economy. (8)

18. EU should help regions and cities develop new financial engineering mechanisms for CCIs using Structural Funds money, and raise the awareness of regional/local authorities, managing authorities and cultural and creative entrepreneurs about how supporting CCIs contributes to the EU cohesion policy objectives (convergence, competitiveness, employment and territorial cohesion). (8)
19. EU should adapt its existing financial support mechanisms managed at either EU or national/regional level such as the Structural Funds so that they can better fit the needs of and/or be more accessible to these industries, taking into account the role they can play in socio-economic development. (8)

Training and education

1. Develop methodologies to evaluate creativity as a key competence. Associate art establishment with “poles of creativity” or “creative communities” gathering cultural operators, industries, R&D centres and universities. (2)
2. Develop public-private partnerships to shift creativity into the market place as well as to integrate technological developments with educational establishments. (2)
3. Integrate management and business skills in curricula to foster a better understanding between industry and art students & creators so as to allow the latter to make a living from acquired creative skills. (2)
4. Support the introduction of new technologies in art schools, improving life-long learning and the update of qualifications. (2)
5. Value imagination and disruptive creative thoughts through promoting art and culture in life long learning (including formal education); recognising the value of alternative education methods whose focus is on the development of individual creativity, encouraging the mix of competences and interdisciplinary activities (business, engineering, sciences (including social sciences) and art and design) at university level, encouraging creative partnerships and cross-fertilisation between the education, the cultural and entrepreneurial activities. (3)
6. Education plays a key role in fostering creativity and art and culture contribute to such stimulation. We propose the following measures to foster creativity in Europe through Education: further research the impact of increased exposure to art and culture in learning (as a tool to stimulate creativity) to highlight best practices in Europe; further research the impact of culture on entrepreneurship; encourage the mainstream of arts in the curricula; inform students and teachers about the role and function of art and culture in developing creativity as well as the value of intellectual property; Promote mobility between art and design schools amongst students but also teachers. Schools of excellence in art, design, fashion should be encouraged to work together and expand their reach. Encourage multi-disciplinary curricula; promote multilingualism through art and entertainment; develop pilot projects on continuing training for teachers in art; value competence in creative skills, manual as well as intellectual (creativity also requires “savoir faire”). (3)
7. Talent recognition, education programmes and competences. The support of young talents has measureable effects on the economy and should therefore represent a major part of the education and training in the CCIs. (5)
8. Enhance creative competences in business education and set up business skills development networks between creative companies and education

organizations to make both sides understand each other and foster interdisciplinary approaches; some concrete suggestions: exchange programmes at European level, promote cooperation between different sub-fields (not programs for film industry only, for music industry only, etc.), promote cooperation between different business lines, combine creativity with business skills, check the real needs of enterprises (to be included in education). (5)

9. Education and training related to the activities and management of cultural and creative industries must be fostered to adapt to the constant evolution of the sector and the new business models. (6)
10. Bridge the gap between professional training and professional practice through training programmes linked to cultural and creative SMEs and other organisations in the private or public sector, mentoring schemes and work placements as well as through business, IP law and management courses for better entrepreneurial and administration skills. (6)
11. Increase understanding of and interest in the work and products of cultural and creative SMEs and promote entrepreneurship by fostering artistic and cultural education in general (primary and secondary) education, which will at the same time support the development of creativity as well as "cultural expression and awareness", one of the key competences for lifelong learning. (6)
12. Develop EU support for European-level careers of recently graduated professionals through existing programmes, new mobility grants or grants to companies employing junior professionals. (6)
13. Increase employability by providing opportunities for continuing professional development and training in the workplace and increase the recognition of qualifications for professionals moving to another EU country. (6)
14. There is a need to reinforce creative skills - education systems as such should be re-formulated in order to allow more space for the development of creativity. A more problem-solving and risk-taking approach – notably in schools – instead of "traditional" more academic methods. The need for reinforcement of arts education. (8)
15. Better addressing the evolving needs of CCIs - adjusting training and practice to a constantly changing environment. Better cover the new needs of CCIs and, by way of example, better address media literacy skills (including e-skills) and copyright knowledge. The need to respond to the digital shift, in particular in terms of IPR protection when putting cultural content online as well as in terms of better understanding potential ICT applications. New needs also include cross-disciplinary curricula. (8)
16. An improved relationship between education institutions and businesses through reinforced cooperative schemes (e.g. career orientation advice, internships, work placements, real life projects). Partnerships could include collaboration within education institutions across disciplinary boundaries; collaboration between higher education institutions and conservatories and/or art schools; collaboration higher education institutions and government agencies (e.g. identification of needs in industries and gaps in education and training) as well as collaboration with the private sector (may lead to the creation of strong vocational courses that are fit for industry needs and deliver strongly on employability). (8)

Subgroup 2: Strengthening the CCIs

Regulatory framework, working conditions and mobility

1. Technical assistance should be offered to public authorities implementing the EU cohesion policy as well as to cultural actors to facilitate their access to the funds. (1)
2. Fees for artists should be made eligible in all cohesion programmes. (1)
3. Overcoming barriers to artists' mobility, such as diverging withholding taxes, disparities in social regimes, recognition of diplomas and qualifications. (2)
4. A special effort is needed to improve communication between the culture community and those involved in economic development, especially at local and regional levels. The experience of those who have successfully operated on both sides should be exploited and disseminated. (4)
5. Improve the living and working conditions of workers in the CCIs: social welfare, insurance and pensions, taxation and remuneration. (5)
6. Encourage cross-border/transnational mobility and attraction of skills and talents, as well as knowledge transfers, exchanges, businesses, networks and clusters between different EU players in different sub-sectors across Europe. (5)
7. Employment services should include support to young job seekers in the field of culture and creativity and potential future entrepreneurs in cultural and creative industries. (1)
8. Public policy must take into account the particular employment of people working in the cultural and creative industries, in order to ensure good working conditions and social partners should be involved to this end. Develop a better working environment and social protection adapted to conditions of employment for artists and authors concerning short term contracts, visa issues, social security position and work permits for third country nationals. (6)
9. Reduce the administrative burden for cultural and creative SMEs through cutting red tape related to working conditions and supplying services to facilitate mobility in Europe. (6)
10. Ensure effective cooperation between national administrations to facilitate operations which have to deal with different legal systems (mobility - export of live performances). (6)
11. Make sure that the EC takes into account the special needs of cultural SMEs in its policies through specific consultations and working groups during the legislative process that promote awareness and respect for authors and artists. (6)
12. Take regulatory measures to ensure a level playing field in the cultural sector so as to counter chronic concentration and allow cultural and creative SMEs to compete on their own merits in order to deliver their full contribution to growth, job creation and innovation. (6)
13. Tackling the underlying conditions for increased flows - the need for clear, comprehensive and up-to-date information, advice and assistance at national, regional and local levels, which would be accessible for all players according to their needs. (8)
14. EU should together with the Member States, continue tackling regulatory or legal obstacles to mobility, inter alia in relation to visa issuance, disparities in social and fiscal regimes or working and living conditions of cultural professionals, and ensure better provision of information on mobility issues at national and EU wide levels. (8)

15. EU should ensure a good use of existing EU instruments to support artists' mobility and smaller initiatives. The EU should review its funding opportunities with a view to covering the whole spectrum of needs stemming from the various sectors included in CCIs. In this respect, a clear cultural diversity dimension should be added to the overall purpose and activities of the EU mobility programmes and grants, while efforts to beef up ICT-based mobility should also be encouraged. (8)

Business skills and mentoring

1. Training, management skills acquirement and ongoing business monitoring and mentoring. At EU level identifying the needs of the CCIs that are not covered by the existing EU and national mechanisms, specially in terms of project or SMEs cycle: availability of market business information (market analysis, business information, advisory board, training and entrepreneurial knowledge), and consultancy services. At national level improve skills-training schemes and tools, support the gaining and development of practical entrepreneurial competences. (5)
2. Peer-coaching - launching both national and EU level company-oriented development programmes, as well as the idea of "peer-coaching". Marketing sales, and – more generally – business skills, etc., could be taught through peer-to-peer coaching. Develop peer-to-peer platforms, where companies would learn from successful entrepreneurs. Peer-coaching should be cross-sectoral as well as within sectors. Peer-coaching can be provided in several ways, either involving more experienced people as "mentors" or by providing "artists in residence" or "visiting entrepreneur" types of placement in both enterprises and educational institutions. A combination of entry level skills development, continuing professional development and informal learning is likely to be required. (8)

Infrastructure, spaces

1. Investments in cultural infrastructures for urban regeneration, territorial attractiveness, rural developments and social cohesion should be increased in the next programming period. (1)
2. Collaborative "spaces" acting as professional hubs for CCIs – whether physical or virtual, temporary or permanent – had an essential role to play in reinforcing experimentation, innovation and entrepreneurship within CCIs. It is necessary to provide CCIs with more places for higher concentrations of talented people and institutions. Cities' old industrial infrastructures could ideally be converted into such innovation and creativity spaces, thus also providing leverage for local economic development and thereby contributing to the emergence of "creative communities". (8)
3. Strong support for the concept of "residencies" - residence schemes should encompass artists, performers, authors, cultural workers and cultural entrepreneurs; residence schemes should be reciprocal (outgoing and incoming); artists and cultural professionals from third countries/other continents should be involved; longer stays and strong interaction with the local/regional community should be encouraged. Also residencies of artists and CCI professionals in businesses or administrations which do not belong to the cultural sector. (8)
4. EU should further raise the awareness of local, regional and national authorities about the potential of collaborative spaces to contribute to the economic development and attractiveness of European cities and regions. This awareness-raising should ideally lead to an increased and more efficient allocation of

Structural Funds' money to these types of projects, so as to improve the infrastructure of the cultural and creative sectors and related institutions. (8)

5. EU should support the networking of existing initiatives – promoting cross-sector engagement – as well as collect and disseminate information and good practices – thereby contributing to identifying success factors and criteria for cross-sector collaboration. (8)

Facilitating access to finance

1. New forms of support (such as venture capitals) should be developed in the next generation of EU regional development policies, and the specific needs of cultural and creative industries should be recognized in this context. (1)
2. Access to small funds with less bureaucracy should be made available to support cultural SMEs and micro companies (for ex. through intermediary bodies like public agencies, networks, etc.). (1)
3. Supporting, for example within the implementation of the 7th FP, the testing and development of business models adapted to the constraints of the European market (with its various and localised markets due to language and culture). This includes support to the establishment of creativity platforms addressing the needs of the market as well as clustering. (2)
4. Get the European Investment Bank and the European Investments Fund to focus on a) supporting SMEs and make their schemes useful in practice; and b) supporting ventures in the digital economy that include the creative sector. (2)
5. The maximisation of the use of the financial instruments of the EIB, and the EIF, in line with the EIB i2010 Initiative, is recommended. Furthermore, European expertise in project evaluation and risk assessment in the cultural & creative sector should be gathered and made accessible to financial operators. It is further suggested that a “creative industries bank” be established to address the under funding of the sector (as part of the I2010 initiative of the European Investment Bank). (2)
6. Develop at EU level the concept of creativity transfer through “a creative broker”, whose role would be to enable cultural entrepreneurs and artists to reach new markets and non-creative sectors by providing culture-based creativity services. (3)
7. Establish innovation vouchers at national level to help SMEs acquire professional skills they cannot afford (in technology, marketing, advertising, design). The idea could be developed at EU level and implemented in Member States expressing interest.
8. Design specific support to sustain craftsmanship and “artisanat”. Organise or fund European awards of craftsmanship, for instance. (3)
9. Support SMEs implementing a design strategy and enterprises that call on design and/or art to develop a competitive edge. (3)
10. Mobilise creators and creative SMEs for the objective of environmental sustainability. (3)
11. Help the creative sector to build collective representation through trade associations. SMEs are not sufficiently represented in the decision process relevant to innovation policies and programmes. (3)
12. Raise awareness regarding the role of public procurement in stimulating creativity. (3)

13. Practical considerations should be addressed, such as the user-friendliness of proposal and reporting procedures and the particular difficulties of cultural organisations over the timing and arrangements for funding. (4)
14. Access to finance: development of financial mechanisms and venture capital funds. At EU level identify different national and local environments in which cultural and creative SMEs operate, and the nature of these SMEs themselves (including crafts, microenterprises, family owned or social economy enterprises). Develop, in tandem with those providing funding, prudential analysis methods to assess the risks specific to the EU's cultural and creative SMEs. (5)
15. Develop financial mechanisms' benchmarking (caution, guarantees, loans, investments, bonds, export incentives, etc.) to facilitate conditions for cultural businesses/projects to accede to private funding mechanisms and for stimulating the release of capital from financial institutions dedicated to the CCIs, specially SMEs, including with the support of guarantees of the European Investment Fund. (5)
16. Through European networks, enhance cooperation of financial and banking institutions operating in the CCIs and develop expertise in CCIs projects of SMEs, in order to increase transnational guarantees or finance for projects co-produced at European level. (5)
17. At national level launch a communication plan to increase CCIs' access to finance, encourage financial and banking institutions to create venture capital funds addressing the needs of SMEs and micro-credit businesses in the CCIs, including through tax reduction measures and investment of public capital in those funds. (5)
18. At regional level organize networks to develop competences in capital demands required by SMEs and micro-credit businesses of the CCIs and encourage State/Region joint-investments in dedicated venture capital funds. (5)
19. Investment in culture must be encouraged and facilitated by preferential treatment to ensure financial viability of the cultural and creative industries, notably the financial independence of SMEs. (6)
20. Create a fiscal environment to support the development of the cultural and creative industries, in particular SMEs, with tax credits and fiscal exemptions, as well as solutions for the issues of withholding tax and double taxation. (6)
21. Provide reduced VAT rates for cultural products and services, both online and offline. (6)
22. Develop financial tools adapted to the needs of cultural and creative industries such as public/private loan guarantee schemes, cultural and creative SME-friendly growth loan finance etc. (6)
23. Re-model the European Investment Bank operational schemes in order to better respond to the specificities of cultural and creative SMEs and to provide them with necessary finance. Establish a European Creative Industries Bank to help cultural and creative industries to invest in new talents. (6)
24. Increase EC investment for culture, including the creation of a specific programme for cultural and creative industries and in particular SMEs, for creation, production, promotion and distribution. (6)
25. Develop the use of state aids for cultural and creative SMEs amongst the member states as with the audiovisual sector. (6)

26. Improve investment readiness - supporting further collaborative partnerships or joint forums between development agencies, investors and CCIs. Need to support networking and cross-border exchange of good experience, as well as to spread ideas and successes in this field. Providing CCIs with more and relevant information about funding sources existing at various levels, as well as with formal or informal training about funding sources. (8)
27. Introducing of management support programmes which could help enterprises improve their management ability, and develop and present business plans in a more convincing manner. (8)
28. Guarantee mechanisms to reduce the risks - Bank loans remain a crucial source of funding for CCIs, in particular those that are SMEs. Need to set up guarantee mechanisms to encourage investors and banking institutions to invest in creative enterprises. The crucial role of public finance (at both national and EU level) in this regard. (8)
29. Support to micro-credit schemes which are the best suited funding mechanism to businesses within CCIs. Its role is seen as very important, especially in the start-up phase of SMEs as well as for small-scale investment projects. (8)
30. Greater use of venture capital - improving venture capital provision, while adapting it to CCIs and developing new instruments to raise additional capital for innovative CCIs. Also the need for business angels - they should be involved in the process of presenting the sector to potential investors. (8)
31. The role of public authorities - crucial role of public authorities in stimulating private investment and in promoting public private partnerships, in particular with a view to establishing guarantee mechanisms or venture capital funds. In this respect, the role of the regional level is of particular relevance. Public authorities are also invited to put in place an appropriate fiscal environment for CCIs to develop through different types of measures such as tax credits or to design VAT schemes better tailored to the needs of CCI SMEs. (8)
32. EU should support national policies in the area, by supporting the pooling of expertise on access to finance issues and the exchange of experience, by identifying and disseminating good practices or by providing information about EU programmes. (8)

Business models, incubation

1. Develop at EU level a template for resource centres dedicated to creative SMEs or artists/entrepreneurs with less than 20 employees. These centres would help with the administration of the company and promote European collaboration. The centre that could be hosted in existing structures aimed at informing SMEs would have the mission to encourage creators to set up their own company. The definition of "Creative SMEs" should encompass companies that help innovate in communication, branding, marketing, design. The EU could work out the mission of such centres which would then be administered at national level with some EU funding. (3)
2. Encourage public and private partnership (PPP) initiatives, including with other business lines. (5)
3. Foster incubation, at EU level specific measures for support (e.g. pilot programs, program strands, general guidelines for the Member States, etc.) could be set up in the Structural Funds over the next financial years and on the basis of closer cooperation between institutions. (5)

4. Foster incubation, at national and regional levels: encourage the mapping of local or regional CCIs, feasibility studies which are an indispensable phase of planning the set-up of creative industry incubators, providing arguments for their need and defining their possible profile, specialisation, stakeholders, clients, and partners. (5)
5. Value intangible assets and enable new business models by paying special attention and developing expertise on valuing the intangible assets that most CCIs' companies possess. (5)
6. Support and subsidise (e.g. flat rate and subscription models) the easing of content distribution, so helping professionals and SMEs to develop new business models. (5)
7. Foster the technological and legal basis that enables new business models, promote the use of Creative Commons licenses for intellectual property. Improve the quality of business environment (infrastructure, taxation, legal regulation) in order to stimulate the development of new business models with respect to IPP. (5)
8. The key role of incubators - creation of more and more diverse physical spaces for the training of cultural and creative entrepreneurs is essential. High-quality studio and laboratory spaces are required for skills development, craft training and physical experimentation, testing and creative practice. The investment needed for this kind of work may require a commitment to cross-institutional collaboration and industry sponsorship. In addition virtual spaces would also be important in delivering this agenda. (8)
9. Need for intermediaries as essential providers of specialist business support and development services as well as an indispensable interface between cultural and creative businesses and public authorities, conveying the former's specific interests and needs to the latter. In doing so, they help put in place the right environment for cultural and creative businesses and practitioners to deploy their activities, which is considered an essential precondition for CCIs to feed the rest of the economy and society with their dynamism and unique creativity. (8)
10. EU should support further feasibility studies of incubation models and evaluation of their impacts on CCI growth and competitiveness. This should be based on flexible guidelines in order to allow for new thinking about business models and encourage experimentation and innovation. (8)

Networks and clusters

1. Help SMEs in the cultural and creative sectors to identify clustering opportunities in research and technology projects. (3)
2. Develop networks and clustering: towards a creative cluster strategy. Foster bottom up networks between and within CCIs and other sectors, monitor the progress, and provide finance for these networks. (5)
3. Use best practice in relation to clustering strategies; prioritize creative clusters and expertise centres instead of small one company project. (5)
4. Emphasize the special conditions necessary for the Commission, according to the "Small Business Act" and in consultation with Member States, to develop a creative cluster strategy, assuming measures to encourage greater participation of SMEs in innovative clusters facilitate clusters' access to new markets and stimulate initiatives of pan-European/transnational cluster cooperation. (5)

5. Importance of clusters, hubs and networking as mechanisms for collective action integrating multidisciplinary teams at regional and local levels, as these mechanisms allow "companies and actors from the cultural and creative sectors to coexist with more industrial and production-oriented enterprises and development projects." In order to be successful, each creative hub or cluster should project the characteristics of its own territory, and be based on shared interests and clearly defined objectives. The need to find new and innovative ways to network and cluster CCIs and other economic sectors at regional and national levels. Additionally, "the collaboration between different creative clusters in Europe [would] make these clusters more competitive on a world scale". (8)
6. EU should encourage the emergence of regional clusters through reinforced co-operation between cluster managers and creative entrepreneurs across Europe or by new forms of support within future EU programmes aiming at encouraging innovative financial engineering, innovative advisory services, and schemes for staff mobility or placement of postgraduates. (8)

Digital agenda

1. Financial support for the digitisation and multilingual access to regional and local content, and its integration to national and European digital tools should be made available through EU regional funds, as well as the digitization of cinemas. Support to risk taking and innovation in experimenting with new forms of digital distribution should also be made available through the European Regional Development Fund. (1)
2. Digital literacy and competences should be integrated as a priority in the next ESF regulation, including a support to the cultural sector to develop its skills relevant to the new digital market. (1)
3. Promote digital infrastructure: free wireless, broadband, open standards. (5)
4. Digitalisation of cultural heritage and copyright issues and policy. Make digital content and information more useful, portable and durable ('interoperable' resources) namely using specific national and European funding programmes. (5)
5. Conditions for a wider use of ICT applications by CCIs - vital importance of infrastructure, including broadband availability country-wide or free wifi availability throughout cities. Also the need for interoperable technical formats and open standards for digitisation, availability of open digital repositories of information and data publicly held or produced, including extensive digitised cultural content. The need to reinforce the access of CCIs to digital distribution circuits on the basis of a level playing field for all, in particular SMEs, and to promote the development of legal platforms for digital content, notably by supporting research and technological development in this area. (8)
6. Improving overall media literacy, raising the awareness of CCI professionals about the strategic implications of technology as well as the involvement of ICT researchers and technologists in concrete CCI projects/actions. (8)
7. EU should promote the extension – beyond national borders – of initiatives reinforcing ICT applications within CCIs that are carried out at national, regional or local levels, or act as an interface in supporting the networking of these initiatives. (8)
8. EU should help CCIs explore and test new business models, as well as R&D in this area. (8)

9. EU should further its programmes to promote the widest possible engagement in new technologies, in particular digital technologies. (8)

Cross-border cooperation, internationalisation and exports

1. Interregional and transnational funding lines should be maintained in the next EU Structural Funds programming, and cultural and creative industries should be made one of the priorities of their new guidelines. (1)
2. Support for the testing and development of business models adapted to the constraints of the European market (with its localised markets due to languages and cultures). (2)
3. Supporting European cultural and creative professionals in prospective external markets (completing market research, identifying partners, easing administrative burdens through the setting up of one-stop-shops in third countries on the model of “export bureaux”). (2)
4. Make available market information on consumer trends and practices throughout Europe to support access to foreign markets and to promote the digital shift. The Internal Market remains to be built in the creative sector which is fragmented along cultural and linguistic lines. Creative industries have a poor understanding and knowledge of consumer markets in Europe in particular in relation to the digital economy. (3)
5. Support cultural projects that have a Pan-European reach and which promote in the general public the fabric of “European creativity”. The aim of the projects should be to celebrate the common aspects of European culture but also contribute to create social links and solidarity amongst citizens of Europe. (3)
6. Support initiatives from national public bodies or cultural institutions which work together on large scale pan European events or projects. (For instance national film institutes could be supported if willing to collaborate to set up a VOD portal on cinema with media literacy objectives). (3)
7. Review the priorities of the MEDIA programme to emphasise support for digital distribution. Encourage sub-titling of films on digital distribution platforms to promote multilingualism. (3)
8. Mandate European Investment Bank to set up a specialist structure devoted to lending to creative industries including SMEs. (3)
9. Encourage private investment in the cultural and creative sectors (building bridges with the financial community). (3)
10. Brand Europe as the place to create. Partly because of its rich and long history, Europe has an image as an ‘old place’. This can sometimes detract from contemporary realities. Efforts should be made to brand Europe as the place to create, to imagine, to express talent; a place that nurtures and values originality and difference. (3)
11. Set up exchange programmes leading to improved CCIs cooperation and sales in the single market; exchange programmes should be targeted to students, artists as well as entrepreneurs, producers and managers. (5)
12. Support exports and internationalisation, thus including CCIs as a significant component of EU competitiveness profile. At EU level set up a development programme allocating EU funds to promote market access and help (small) businesses to export to third countries, especially to (potential) candidate countries and to those non member states with which the EU has concluded international agreements. (5)

13. Promote European creativity and innovation, power up Europe as a world class brand and stimulate the international competitive potential of European based companies. (5)
14. Open up national business and export development service to CCIs and develop internationalisation strategies as part of regional business development plans. (5)
15. Develop programmes for circulation (co-edition, co-production, cross-residence schemes, support to live performances, etc) outside of Europe. (6)
16. Set up a network of 'European cultural industries agencies' in key international markets outside of Europe and to represent all the cultural and creative sectors. (6)
17. Organise a joint European presence at international trade fairs to give all Member States the chance to participate in key market events. (6)
18. Facilitate artistic exchanges and share know-how with third countries and Europe to stimulate cultural diversity by importing non-European culture as well as exporting European culture. (6)
19. Support live performances by establishing mechanisms in the form of small investments to ease the risk factor taken by artists when touring, to encourage wider circulation and to trigger investment. (6)
20. Promote co-production in music, theatre, dance and between the live performance sector and other cultural and creative industry sectors and other sectors in the cultural and creative industry. (6)
21. Increase support for the translation of works with more EU funding available for lesser spoken languages, translations from and into non European languages, for different genres of publications and for the translation of short excerpts to present at European/International trade fairs. (6)
22. Promote and support co-edition programmes for book publishers. (6)
23. Increase European programming in venues and festivals by giving incentives through a bonus system. (6)
24. Improve and internationalise cross-residence schemes for performers, authors, and cultural entrepreneurs to facilitate exchanges of production, creation, diffusion and talent development within and outside of Europe. (6)
25. Facilitate structural interventions through the European Regional Development Funds to address the East-West imbalance, especially for infrastructure. (6)
26. Provide tailored information to mobile professionals, artists, and organizations in order to facilitate circulation within Europe, such as information on European and key international markets as well as on the fiscal, legal and social environment, notably by setting up mobility contact centres. (6)
27. EU should do more to help European CCIs to benefit from new opportunities in international trade and cultural cooperation through various tools such as industry-to-industry dialogue or scouting missions. (8)
28. EU should facilitate the cross-regional exchange of good practices and ideas, as this is a good way to minimise the risks involved in the process. Such an exchange should be multi-faceted and address topics such as cooperation between culture and industry, transfers of know-how, funding opportunities, etc. (8)

Subgroup 3: Increasing spill-over effects

Measuring impacts

1. Need to further measure the innovative externalities of CCIs - call for more data production, collection and dissemination, and for more research. Need for relevant indicators that would better take into account the importance of cross-disciplinary knowledge flows as well as the intangible factors of innovation such as process know-how or culture-based creativity. (8)
2. EU should take steps to better measure the spill-over effects of CCIs, and disseminate the expertise accumulated in some parts of Europe and the many good – but often small-scale and little known – practices developed locally. A comparative analysis of the direct and indirect effects of CCIs in the various Member States or a methodological handbook for assessing the sector's performances should be produced at EU level. (8)

Linkages to other sectors

1. Supporting cross-sectoral linkages involving CCIs - innovation vouchers, with examples of existing schemes at national, regional or local levels. These schemes can include the delivery of innovation processes designed and led by "creatives" and tailored to the individual needs of the company, business transformation consultancies that support culture change, business strategy and organisational re-development, etc. Other knowledge transfer mechanisms include internships and residencies of artists and "creatives" in business environments beyond CCIs, in particular in cross-cutting industry networks and clusters; public procurement, targeted at innovative but non-technological processes, products and services, for which CCIs could apply, thus offering unexplored opportunities to promote social cohesion or community regeneration and which may lead to innovative solutions for public services and spaces; meeting places such as laboratories or hubs to bring people from different disciplines together, e.g. business, research or academia. (8)

Innovation

1. The concept of innovation should be given a broader definition and operational remit. It should be enlarged beyond its technology and business dimensions to include all aspects of the innovation potential of cultural and creative industries (development strategies, business models, idea generation, training and skills, new societal solutions, and the emergence of new creative potential and processes). Specific action lines should be created to enhance social innovation through culture and cultural industries activities. (1)
2. Modernise State aid frameworks to reflect the challenges brought by the digital world. E.g. support in cinema is still focused on the traditional business models, thus acting as a brake to innovation. (2)
3. Make creativity in the digital economy an objective of structural funds for priority expenditure. (2)
4. Organize knowledge transfer networks - CCIs as new "network industries". Regional, local or municipal plans should be drawn up regarding ways to implement innovation strategies and to enhance local ecosystems. Open and public network-based innovation environments should be created with the purpose of integrating creative economy knowledge into corporate innovation. (5)

5. Support connections between creativity and technology: from awareness to facilitation. Innovation activities between different business lines and authorities could be strengthened by forum work which gathers different actors together. (5)
6. Strengthen the notion of non technological-driven innovation, service innovation and user-driven innovation. (5)
7. Incite business to employ creative people and artists (possible by vouchers). (5)
8. Innovation should be understood as a broad concept mixing high-tech and non-technological innovation, manufacturing and services, as well as R&D and other drivers such as creativity. (8)

Tourism

1. CCIs and the link with cultural tourism - culture and CCIs play role in reinforcing tourism at regional and local levels. Reinforcing links between CCIs, cultural heritage and tourism offers an opportunity for economic diversification of the different geographic areas and regions. Vice versa, tourism is seen as an important incentive for CCIs' development and sustainable use of cultural heritage. (8)
2. Mainstream culture in tourism strategies, as culture is a key factor in the development of sustainable tourism. (5)
3. Raise attractiveness of the regions by, on one hand, protecting and, on the other hand, responsibly using available cultural resources (including cultural heritage) in the region. (5)
4. Promote and brand states and regions, but also Europe as whole, as creative and dynamic places with rich cultural heritage and diversity. (5)
5. Enhance the synergies between cultural actors and institutions, tourism operators and business community to maximize the cultural and economic impact of sustainable tourism, while at the same time take necessary measures to protect cultural heritage and environment. (5)

Regeneration of places

1. Regeneration of places (e.g. industrial towns). Collect good practices in the field of regeneration of place, specially of derelict/declining industrial towns, which can lie with local governments and with private initiatives from artists and companies, relate CCIs to positive image of places and relate arts and other creative industries to social goals, such as the invigorating of the countryside and fostering social inclusion (poor, disabled, old and risk people). (5)
2. Local and regional development projects. Stimulation of culture is an element of regional identity and might evolve to be a differentiated territorial-based competitive factor. CCIs can contribute to an environment where the economy thrives and, in this sense, their contribution to social cohesion is an important indirect effect on economic life. (5)

Social policy, social innovation and lifelong learning

1. The role of cultural participation in fighting poverty and exclusion should be more systematically integrated in ESF action lines, and access to support schemes for NGOs and local actors in this context should be facilitated. (1)
2. For culture to play its role in social policy measures should encourage local, regional and national agencies to recognise and deploy cultural resources in social and public services; in line with its commitment to promote and support

social innovation through its programmes, the EU should encourage the use of culture as a resource for social innovation. It should highlight best practices of projects that are already supported in the pursuit of social objectives – through both cultural funds and through structural funds; establish a pilot scheme to develop a creative social entrepreneur mentoring scheme for young entrepreneurs; commission a series of longitudinal studies (possibly linked to EU funded projects), examining the impact of cultural activity in key social areas such as social cohesion and civic renewal. (3)

3. Disseminate and support best practices in social inclusion, in education that are based on art and culture and which stimulate creativity. (3)
4. Encourage and support networks of social innovators, reward links to networks or cultural organisations and practitioners, especially where these are working on the key themes of the social agenda: young people, skills, migration, older people etc. (3)
5. A sponsored prize for social creativity, to highlight and promote good practices, could be established: one for projects, one for outstanding individuals. (3)
6. Set up a ‘creative corps’ – a trans-national database of creative workers with the skills and abilities to work in particular areas of social innovation. (3)
7. Identify and encourage support for key clusters of culture-based social innovation. Encourage advice, support, mentoring and funding. (3)
8. The potential of cultural and creative activities in developing key competences for lifelong learning should be recognized and formally integrated in all EU training and skills development schemes. (1)

Other EU policy areas

1. Environmental Policy: mobilise creators (notably artists, architects and designers) but also creative SMEs for the objective of environmental sustainability (through a European award for instance). Research links between “Design Thinking” and ecological issues. Raise awareness on environment through culture. (3)
2. Internal Market and Competition Policy: integrate cultural diversity as a competitive asset and a policy objective not as a bottleneck. This includes the full implementation of article 151.4 of the EU Treaty on cultural diversity. (3)

Trade and Cooperation Policy: Promote at international level the principle of cultural diversity by encouraging cultural exchanges with third countries. Use technical assistance programmes with third countries to promote trade in the creative sector.

ANNEX

Sub-group 1: Results of the meeting

The Sub-group was moderated by **Iveta Cirule (Latvia)**, e-mail: Iveta.Cirule@km.gov.lv. Ms Cirule agreed to lead the subgroup temporarily. As she is due to leave the Ministry on 1 September, Ragnar Siil will take over.

The Sub-group identified five key fields of interest on which it would be important to focus:

Political will

- Understanding the whole concept of CCI
- Convincing politicians
- How to advocate for CCI
- Understanding of CCI on regional and city level
- Informing politicians about EU documents on CCI
- European platform for Culture
- Agreement on national level among national authorities about CCI development

Networking

- Communication among CCI operators
- Networking among CCI operators and policy makers
- Clusters
- Professional organizations and public-private partnerships
- Networking between education, scientists and CCI
- Think-tanks (Bulgaria: Digital industries)
- Exchange of professional experience, benchmarking – regional and local level, CCI operators level
- Public involvement

Raising awareness

- Targeting students
- Public involvement
- CCI operators
- Funding sector
- General public (Estonia – creativeestonia)
- Using CCI definition for raising awareness (Green Paper)

Mapping

- Mapping regional and national level (Finnish model)
- Strategy of city and regions based on mapping (German model)
- Birmingham and Berlin examples
- Public input
- Involvement of stakeholders
- Revision of current statistical framework including new indicators concerning creative industries (in relation to EuroStat and UNESCO cultural statistics framework)

Training and education

- Creative skills programmes

- Workshops for creative people
- Creative educational programmes from art schools

Sub-group 2: Results of the meeting

Members of the 2nd subgroup:

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Decisions:

Prepare a Handbook on focused on passing good practices, models of solutions towards strengthening the CCI sector.

Aim: Accelerate the transfer of good practices between areas in regions in Europe in order to empower the focus groups to use/negotiate funding for CCIs for the period 2014-2020)

Target groups:

policy makers (the level of European Commission, national governments, regional governments), as well as cultural operators

4 key fields of interest:

- Soft investment and hard infrastructure
- Clustering and networking
- Transfers of skills, capacity building
- Access to finance

Access to finance: Finland, Belgium

Clustering/Networking: Austria, Denmark and Sweden Soft investment and hard infrastructure (re-use of sites): Greece, Poland Skills and capacity building: France, Hungary, Slovakia and Germany.

Action plan:

The subgroup split into 4 action groups which would investigate the four different areas. Select 1-2 relevant case studies in their area of interest.

The results will be delivered by the following OMC meeting in September.

DISCUSSION

Identify a focus area:

- We should look which structural funds and their areas are a good source for support. On the other hand it would be good to investigate also which areas have not been covered in SF
- Suggest a training programme paid by an Agency where SMEs could apply? (European Social Fund is not for projects, only for training and skills exchange)
- Austria: Study reviewing project which are paid by creative industries.
- increase the awareness of the possibility and facilitate the dialogue between creative entrepreneurs and local authorities
LEADER programme - agricultural program but many cultural projects are funded by this in Austria
- In some countries there is still possibility to change the structural funds or at least raise awareness about unknown possibility which existing structural funds may offer
- It is impossible to find out on the EU level how the structural funds have been regarding CCIs. Is there a possibility to find out on the national levels(in Finland, Austria etc.)?

HAND-BOOK: Some specifications of areas of interest:

For Policy Makers:

- Collect a convincing “fact-book” for policy makers which could show how SF were used for culture? Find and show existing mechanisms from some countries?
- Cultural mapping in different countries
- Look in which policy areas SF have been used and where they could be useful: Identify measures, field areas and models of solutions
- Investigate other possibilities of funding, e.g. **the investment funds** in some countries and combination with structural funds
- Direct support from the EU for enterprises – “soft-skills projects”, support for infrastructures, “venture capital”

For Creative Entrepreneurs:

- Clarification of the structures of managing authorities: identify the authorities which manage funding sources.
- A “dictionary” of specific terms used by policy-makers, “heavy businesses” and creative entrepreneurs?

Sub-group 3: Results of the meeting

Date: 7th July 2011

In attendance: Gráinne Millar, Temple Bar Cultural Trust, Dublin Ireland; Irena Mars, Ministry of Culture, Slovakia; Leo van Loon; Rotterdam; Rafael Carazo Rubio, Ministry of Culture; Núria Bultà / Director ICIC Delegation Brussels Catalan Government / Generalitat de Catalunya

Apologies: Minoka Kalista, Austria; Stephen McGowan, DCAL N. Ireland and Kirsi Kaunisharju, Finland

The challenge to find examples of innovation in CCI spill-overs at the regional level and national level that demonstrated effective use of EU structural funds and measurable impacts. During the meeting we discussed examples of spill-over effects in areas such as

Importance of European Creative Industries Networks (Leo)

Leo provided examples from Austria and Birmingham in creative industries policy and support structures. He suggested the importance of providing a European directory of SMEs in the Cultural and Creative Industries and the need to create an internal market for CCIs.

Culture and Environmental Sustainability (Sergio)

The importance of Open Air Museums was discussed here that highlight the relationship between art and nature. The Foundation Lanzarote project was discussed highlighting the impact of arts and culture on landscape and how they add value by creating a new awareness of this special and important location. Spain has a very good track record in this area. The Life Project at Soria was also discussed which linked art to the environment focusing on archaeological resources as a source for new employment in the creative industries based on tourism, sustainability and community development.

Culture and European Capitals of Culture (Rafael)

Rafael gave examples of Bilbao as a very successful example of the catalytic effect of the culture to regenerate poor areas and drive new economic opportunities around tourism however it was also highlighted that the local arts scene did not benefit from this as much as might be expected. Temple Bar in Dublin and Newcastle Gateshead are other examples of this. The role of urban/regional planning in creative infrastructure and supporting the creative industries was highlighted as playing a very strong role in determining success in areas such as education, training, developing skills and competencies. There was also some discussion around the role of Capitals of Culture but it was agreed that much work had already been conducted in this area.

Culture and Social Inclusion and Renewal (Irena)

Irena outlined the difficulty of identifying a project that had measurable outcomes. She agreed that there is a strong link between social inclusion and cultural heritage but there were probably better examples that we could find in Europe.

Culture and Health and Ageing (Grainne)

Grainne presented the work of a very successful art and health project which was researched and clinically trialed where the introduction of arts projects, not only had a transformative, measurable impact on the recovery of patients in isolation, but it also created new jobs for artists. There was also some other research conducted in the area of culture and lifelong

learning and ageing which was well researched and provided a good evidence of the spill – over effects of how culture can contribute to service innovation.

General conclusions:

- a. There are very few evidence based/measurable examples of successful spill-over effects and this is something that the group will need to emphasize in its recommendations.
- b. There are good examples of spill-over effects in different areas; very few have actually received funding from the structural funds.
- C. There was also general discussion around the metrics that are being used by the European Commission to measure the value and impact of culture and creative industries and a general feeling that new indicators need to be developed to take account of the “value” of culture.

At the end of the meeting, the sub-group decided to adopt the 8 points approach that Professor Pier Luigi Sacco had presented to the working group in relation to the indirect impacts of CCIs, as follows: **innovation, welfare, sustainability, social cohesion, new entrepreneurship, soft power, local identity, knowledge economy.**

The Sub-group has case studies/examples of good practice for many of these areas. In some cases, the examples show innovation in areas such as product innovation, service innovation, social innovation, design-led innovation, etc.