



Comment on GREEN PAPER "Unlocking the potential of cultural and creative industries"

The European Commission has released its Green Paper "Unlocking the potential of cultural and creative industries". The importance of these industries cannot be underestimated for urban development and urban renewal. The Green Book addressed the cultural and creative industry, analyzes the situation and contributes suggestions to improve the situation. In addition, stakeholders from various fields were asked to make further suggestions and comments on this paper. We are delighted to answer this call and hereby present the following comments on the Green Paper.

The paper was written by a consortium of the following partners:

- City of Leipzig (Cultural Affairs Office, City Planning Office, Economic Development Office)
- Aufbauwerk Region Leipzig
- City Hall of Gdansk
- Gdansk Entrepreneurship Foundation
- Institute for Economic Research, Ljubljana
- Regional Development Agency – Ljubljana Urban Region
- Municipality of Genoa
- Job Centre Genoa
- Cultural Innovation Competency Centre, Pécs
- South-Transdanubian Cultural Industry Cluster, Pécs
- Municipality of Pécs
- German Association for Housing, Urban and Spatial Development, Berlin

The Cultural Affairs Office of the City of Leipzig agrees explicitly with the comment of the German Cultural Council on the Green Paper of the European Commission. The complete text of the comment is annexed.

The consortium currently serves the Central Europe INTERREG IV B project Creative Cities.

Putting in place the right enablers

New spaces for experimentation, innovation and entrepreneurship in the cultural and creative Sector

How to create more spaces and better support for experimentation, innovation and entrepreneurship in the cultural and creative industries (CCI)? More particularly, how to increase access to ICT services in/for cultural and creative activities and improve the use of their cultural content? How could ICTs become a driver of new business models for some CCIs?



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This question is to be discussed only in dialogue with stakeholders, departments of the municipality and institutions and should get a thematical structure. The idea is to establish thematic discussion groups, workshops with the companies - as part of the time and budget feasibility. This exchange should be run in cooperation with relevant partners.

Various topics should be discussed. Below some examples are mentioned:

- a.
Basis / knowledge, discussion of the "real" marketing position (s), according to line of business / company sizes
- b.
Where are the markets? Which target groups? How is the contact so far?
- c.
What are the products or the services? Possibilities of services -, development of new products?
- d.
Who are the partners of cooperation? Who isn't it yet, why not?
- e.
Description and discussion of industry-specific (probably cross-industry) value chains / emphasis on new forms. (IT emerges constantly as a cross-service - in the context of cross-media marketing)
- f.
Discussion of the possible uses of new marketing possibilities (reasons / criteria for different forms of use)

A possible approach for a solution could be described this way:

- a.
Promotion of small-scale projects (product development / cooperation btw companies / btw universities and companies, etc; marketing / market development / cooperation; ... also for stock companies)
- b.
small-scale investment incentives
- c.
Expansion and further development of contests to develop the image of a region / a location
- d.
Promotion of professional exchange / training – from congresses to seminars)
- e.
cooperation between ICT and CCI clusters with public administration support,
- f.
grants for experiments lead by the creative industry in cooperation with ICT sector,
- g.
common innovative projects matching different actors,
- h.
financial and substantive support for innovative researches and project,
- i.
financial and substantive support for commercialization of selected creative projects,
- j.
Internet portals connected with city cultural life and artists,
- k.
usage of modern medium to promote cultural events in the city and all dimensions of creativity, e.g.: LED screens or e-paper or internet of things,



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l.

interactive city games connected with CCI industry,

m.

cultural and creativity trainings/workshops/open meetings accessible for all, not requiring technical skills or background but familiarizing with ICT technologies and creative thinking.

n.

Installation of free public wi-fi especially in the zones that are considered to be more creative, enabling people to work on the public places, that express higher levels of diversity.

o.

Affordable working and living places located in the older and even abandoned buildings for creative individuals who are at the beginning of their creative career, in order to enable the independent development of their creative potential.

p.

More space can emerge if the terms “cultural” and “creative” are not used as a synthgm but as two different financial and organisation categories. Furthermore the contents of either also vary as do social considerations and consequences.

q.

Genoa since many years has been dedicating the spaces for the cultural and creative works done by young people. In particular, in 2009 there was opened SALA DOGANA-CUSTOMS HOUSE placed in the Palace of Culture of the city. It is a space for permanently working on the emerging cultural production, a place devoted to the experimentation, innovation and development of new trends and young creativity. The project aims at promoting ways of participation through the realization of initiatives devoted to express creativity, to develop abilities and skills of young people, favouring, in the meantime, the exchange of experiences and the establishment of networks.

The interculture is the main thread that links the exhibitions and presentations hosted in this space. The space isn't suitable for permanent activities, but is intended as space where services will be offered, improving relationships, resources and instruments for young expression. Through different type of activities it will be possible to carry out several individual and collective exhibitions, presentations, workshops, stages, meetings, open tries, discussions, seminars, conferences, projections, installations, performances.

r.

One of the most important role for the culture in Italy is performed by the Italian Banking Foundations. They are non-profit, private and autonomous entities that originated in the early 1990s on the spur of the 1st and 2nd Directives on credit concerning the freedom of the establishment and banking de-specialisation, law no. 218 dated 30 July 1990 (the “Amato” law). The Banking Foundations engage solely in socially-oriented and economic development undertakings. The Foundations play an active role in Italy's social and economic life, both as philanthropic institutions and as important institutional investors. They have strong connection with the territory and their institutional purpose is to provide support to various collective-interest sectors (art and culture, education, research, support to the underprivileged, local community development, etc.) through projects implemented both directly and exclusively by private or public non-profit entities. Link to the territory is evidenced by the presence of Municipalities, Provinces and Regions' members in their structures.

s.

By the experience of the Enterprise Europe Network supported by the DG Enterprise it is worth to start a regional economic development of creative industry network which would support the institutional and cultural innovation centers as well as the agencies involved. The linking of the ICT sector with traditional sector of the creative industries and with the AV industry can be achieved by combining the professionals. The achieving target could be the support of the regional ICT and AV industrial centres and film funds.



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Expansion of the access to creative industry products, the introduction of minimum quotas, imports of EU products in preference.

Especially the connection between CCI and ICT industries is a very strong and fertile one in both directions due to the content and the use of technology. There is a lively exchange. In many places collaborations have already begun, presenting the work of the CCI to a large audience, leading to considerable economic benefits. These innovative partnerships should be strengthened. Also cooperation between artists and urban development is possible as well as collaboration between CCIs and producers and investors. The CCIs provide culturally significant content on a variety of forms that can be very interesting to other industries.

Better matching the skills needs of CCIs

How to foster art and design schools/business partnerships as a way to promote incubation, start-ups and entrepreneurship, as well as e-skills development?

There are examples for good practise in the City of Leipzig:

- a.
SMILE Creative Industry
- b.
BIC GmbH Initiative

There are several suggestions for activities:

- a.
Grants for common projects including entrepreneurship aspects,
- b.
E-learning development,
- c.
Nonrefundable financial assistance for artists interested in set up a company based on the connection to the ICT,
- d.
Mentoring in business lead by the experienced creative and ICT companies owners with support of academics.
- e.
Use of existing support institutions, but additional focus on CCIs. At the moment dominant focus of support is on technological innovations.
- f.
Mobility schemes, demonstration projects, transnational (EU) projects – a new special EU programme?
- g.
Spatially locating universities close to CCIs clusters
- h.
In the field of education the concept of creative industries has to be explained in its economic and organisational dimension, as well as through responsibility and accountability of its performers. Basics of operative management (specifically of CCIs) should be introduced to curriculums.
- i.
Many CCI enterprises have already been set up. Comparison of good examples and also less successful cases should be made available to CCI planners and aspiring performers (financing schemes, output, staffing, facilities, organisation setup etc.).



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j.

The training and education at all levels of EU-level developments in the curriculum should be jointly conducted with the knowledge society as objects of display innovation and creative industries. The South-Transdanubian Culture Industry Cluster accurate credit training program at the University of Pécs, where liberal arts university for 6 months-arm study of creative industries, innovation. Similar initiatives and funding constitute a step forward. European innovation management standards required for the establishment and accreditation (interoperability).

In recent years a far-reaching professionalization of the CCI has been on the way in many areas. Nevertheless, the need for appropriate training is still very large. It is necessary to foster innovative approaches and promote new partnerships.

How could peer-coaching in the CCIs be encouraged at the level of the European Union?

Please take a look at the first question, some comments are mentioned there already.

There are several suggestions for activities:

- a.
cyclical meetings/workshops with representatives of academic circle and creative industries to create platform for exchanging ideas and experience,
- b.
internships programmes for students, which will enable gaining first practical professional experience,
- c.
mentoring/coaching,
- d.
special programmes for graduates from artistic schools, which will enable to set up their own business.

Both, internal structures for the development of the CCI as well as collaborations with external partners, contribute to the further training and should be further developed.

Access to funding

How to stimulate private investment and improve CCIs access to finance? Is there added value for financial instruments at the EU level to support and complement efforts made at national and regional levels? If yes, how?

How to improve the investment readiness of CCI companies? Which specific measures could be taken and at which level (regional, national, European)?

There are several suggestions for activities:

- a.
Development of an image / branding at the location / in the region:
also through the expansion and further development of contests / prizes for members of the creative industry
- b.
Generate and foster contact on this level (location/part of the city/region) in a technical, regional and cross-sectoral way



c.

the opportunities for participation / attendance for the members of the creative industries to join in competitions in other cities and countries should be made easier

d.

all together small-scale investment (project) funding

e.

Assistance in the development of markets / other industry groups (cooperation) / or expansion (professionalisation) of distribution

f.

regional and national level programmes with venture capitals, business angels or institutions offering loans at favourable rates etc.

g.

Special EU programme could (should) promote development of CCIs. There are probably 2 different approaches: in the old member states some financial instruments exist and therefore EU level could complement efforts at the national and regional level (additionality, awareness raising). In the NMSs EU level could raise awareness on importance of CCIs and as a consequence introduce new financial instruments at the national and regional level.

h.

Part of the development process could be covered by "risk" funds. The level of operation depends on specific national, regional or local organisational (administrative) environments.

i.

Private investment into CCIs could be stimulated through public-private partnerships, where regional or national authorities would devote some of the resources for support of these specific sectors. Relevant private investors would become more interested to invest and support this field when sharing the risks and by getting a multiplying effect by public funds and support. Such initiatives should be more trans-national oriented in order to capitalize on foreign best practices and reach potentially cross-border investments as well.

j.

To improve investment readiness, additional schemes should be set up, as workshops with mentors/coaches – potentially international ones for more global orientation of individual companies. A peer to peer platform, where companies learn from successful entrepreneurs is an additional added value for a sound business development. Improvement of investment readiness comes from the local level – with promotion, awareness raising, information and consultations on what it means to receive an investment, as well as at the regional, national and European level, through rise of competitiveness and global dimension.

k.

Currently, the creative financing of industrial projects in the National Strategic Reference Framework (in Hungary) are made on the basis of low intensity support, 30-50% of enterprises will be supported. NGOs are also available to support a higher intensity, but their economic impact is low. For businesses, innovative contribution to the national levels and training required contributions along the lines to create a system of revolving charge. Creative exports of industrial products to help build the necessary networks designed to increase the volume of exports will lead to an increase in the volume of private investment as well.

In the area of the "old" EU, there is a well-developed system of public funding opportunities for the creative industries. In the NMSs this has currently being developed, which is due to the increased public attention for the CCI. In all countries innovative methods for financing CCI such as PPP or revolving funds are on the way to be developed.



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Local and regional development as a launchpad for global success

Local and regional dimension

How to strengthen the integration of CCIs into strategic regional/local development? Which tools and which partnerships are needed for an integrated approach?

There are several suggestions for activities:

a.

To improve business a cluster strategy should be developed after the evaluation (cluster speaker, cluster Boards, dialogue with sub-branches, etc.).

b.

Construction and development of cooperations with other partners, specialist offices, institutions (internal and external) should be fostered.

c.

The current EU programme period (esp. ERDF) doesn't account enough for the urban dimension. Compared to the programme period 2000 – 2006, the funds available for integrated urban development/modernization were reduced in favour of sectoral funding. An integrated urban development policy is at the same time beneficial for an integrated development strategy of CCIs and should be promoted more strongly.

Furthermore there was a too high concentration on investment measures, although the city needs measures that require no investment (neighborhood management, networking, industry meeting, etc.).

Because of remaining concentration on investment measures by federal funds, it was necessary to access additional EU funds (like 2000-2006 URBAN and ERDF) to finance non-investitive measures. Especially URBAN enabled the integration of business developing aspects. This possibility should be reached in the next programme period again.

d.

Representatives of CCIs should be involved in different partnership involvement mechanisms at the regional and local level (councils, committees, working groups).

e.

Social surveys analyzing the needs, preferences and characteristics of the employees in the CCIs.

f.

Policies dealing with a bottom up creative initiatives and supporting their development.

g.

Supporting creative activities in the deprived neighbourhoods and among younger generations.

h.

Financing CCIs (specifically the "creative" part) should not be seen as a cost but a significant part of the content in investment processes. This demands redefinition of the activity and appropriate statistical categorisation.

i.

The base of the development is the clustering process and the innovation-based international chains. Public development institutions, universities and businesses in the creative industries and cultural spheres of cooperation should be taken the complex level.

j.

Especially the very small scale and "fast transient" cultural and creative industries need for their development a special urban environment with a stimulating atmosphere with high quality of life, with appropriate people and fitting offers in the neighbourhood. A most crucial issue is to find appropriate rooms / spaces / buildings that fit specifically to their needs and to get in contact with the owners of the properties. Area-specific strategies should start here



to establish co-operation between players of the creative industry and home and property owners. This process should be accompanied by a process of consultation for the landlords on refurbishing their properties according to the latest energetical standards and for the clarification of the possibilities of own contributions by the tenants. In addition possibilities of public funding should be developed. These activities must be embedded in an integrated overall strategy of the municipality for a new orientation of a neighborhood and also for successful short-term and visible implementations. Due to local differences in the composition and in the needs of the cultural and creative industries very different requirements emerge for buildings and environments. This situation needs to be discussed and developed together with the stakeholders.

The creative industry benefits greatly from the establishment of networking and cluster formations which can be organized regionally or locally. Particularly important is the improvement of the various possibilities of funding, whether through their involvement in public funding or the collaboration with private investors. Cooperation with property owners in this context is a crucial issue.

Mobility and the circulation of cultural and creative works

What new instruments should be mobilised to promote cultural diversity through the mobility of cultural and creative works, artists and cultural practitioners within the European Union and beyond? To which extent could virtual mobility and online access contribute to these objectives?

Comments are already mentioned in questions at the beginning of the comment.

There are several suggestions for activities and instruments:

- a.
foster the connection between creativity and industry (s)
- b.
cooperation with ICT cluster for getting access to modern communication tools, which can be use for promoting cultural activity in the city,
- c.
creating virtual art galleries and interactive exhibitions,
- d.
creating virtual archives e.g.: for the most important cultural events in the city – Cultural AudioGuide
- e.
Contents that never leave the virtual world can be covered by online access. However, contents corresponding to physical application have to be experienced not only visually. Mobility schemes are effective instrument and could upgrade “virtual forms” of cooperation.
- f.
The results of virtual mobility and online access are limited when promoting cultural diversity, especially when dealing with cultural production, therefore spatial clustering and international cooperation should be stimulated.
- g.
In one of the Genoa’s project aiming at urban recovery in the Old Town area, it is foreseen to assign 3 apartments as the residents for artists. Launch of artists’ residences in the city area brings many initiatives in the field of art and culture which may affect this district (e.g. exhibitions of the guest artists, meetings and educative seminars for students of Art High School and Linguistic Academy, workshops for the residents of the district). The project will



be operational in the end of summer. The objective is to promote the mobility of artists. The operational and managing model foresees public investment which will be assigned for urban renewal and plan to use the recovered spaces. The latter will be held together with the participation of different association while the management of these spaces and the actions development is foreseen to be charged to the privates.

h.

The circulation of the artists allows better cultural vivacity in the city that hosts them, improves the cultural offer of the city and increases mutual understanding of the different cultures. Moreover, it influences positively the climate and welcoming of the city.

i.

In Genoa there are foreseen the actions and events for the strengthening the welcoming of students and researchers coming from various countries. One of the proposal is the guide for ERASMUS students who choose to come to our city. The guide is produced in collaboration with the ESN (Erasmus Students Network) association and it is written in many languages. The other initiatives proposed is the "Researchers' Night" – the event devoted to the professionals from the research field.

j.

Virtual Mobility is based on a traditional creative industry sub-sectors of ICT training for members and prepare for the opportunities provided by the use of Internet and World Wide Web.

Based on this training it can help develop a virtual expo for mobility, not only labour, but the values of (product / service) to support mobility. Virtual expo system is a virtual exhibition, where participants have a virtual booth is where to upload the products, ideas and projects.

In various cities there are innovative approaches to increase the real mobility of artists and CCI's. This leads to demonstrable positive effects in the public perception of the products and services as well as in the economic surplus of the participants.

By using the Internet a product or a service can be promoted on a much larger scale. These approaches also strengthen the economic base. At the same time they contribute significantly to the European cohesion and the mutual exchange within and outside the EU.

Cultural exchanges and international trade

Which tools should be foreseen or reinforced at EU level to promote cooperation, exchanges and trade between the EU CCI's and third countries?

A recommendation for action can be given only after the actual needs of the creative industries are named.

There are several suggestions for activities and tools:

a.

Financial and nonfinancial support for cultural industries as the key providers of value-added services, which are the basis of a dynamic, knowledge-based economy.

b.

Perhaps one way of promoting cooperation between EU and the third countries is to increase the support aimed at stimulating creativity of the people with migrant background within EU in order to stimulate cultural diversity. It remains unclear if any direct influence on cooperation between EU and third countries can be expected, however indirect influence could be noted.

c.

The base of the development is the clustering process and the innovation-based international chains. Public development institutions, universities and businesses in the creative industries and cultural spheres of cooperation should be taken the complex level.



d.

Working with Russia should be noted that the Municipality of Pécs and partners develop the Perm Intercultural cluster by their own resources as they lack of EU financial support and resources. That supports the process not only more effectively, but also makes it faster.

Cultural exchange and international trade are affected and strengthened most directly by work of the CCIs. Despite the strong local roots of the creative industries, they also have a high international importance. Despite some existing problems in the implementation and the ways of funding such international co-operations should be increased and fostered through various measures on all levels.

Towards a creative economy: the spillovers of CCIs

How to accelerate the spill-over effects of CCIs on other industries and society at large? How can effective mechanisms for such knowledge diffusion be developed and implemented?

How can "creative partnerships" be promoted between CCIs and education institutions / businesses / administrations?

How to support the better use of existing intermediaries and the development of a variety of intermediaries acting as an interface between artistic and creative communities and CCIs on the one hand, and education institutions / businesses and administrations, on the other hand?

There are several suggestions for activities:

a.

Project-based (opening of universities for projects with portfolio companies - the use of laboratories, exchange of expertise ,...)

b.

Request / instruction to the facilities on "Lifelong Learning" (wider training opportunities for former graduates) should be enabled by the necessary resources.

c.

Needed are technically competent representatives who close the gaps in the skills of the creative industries (in terms of business, real estate, sales know-how)

d.

Development of CCIs depends on courage and foresight of financiers and industrial subjects.

e.

Promoting and stimulating diversity, tolerance and creative thinking in other sectors.

f.

There is a need to build up adequate framework conditions:

- Infrastructure (design centre),
- Incentives (awareness raising, consulting, training, IPR, networking, financing - as part of R&D projects), events, awards

g.

Industry management processes and operational systems into the creative industry to serve on the strength of the spill-over processes. Cooperation with other sectors - and this co-operation of business systems development based essentially supports the creative industrial processes, improving efficiency. The creative industry's server and background of the biotechnology industry can be (innovation results visualization), the automotive industry (design)...Etc. Development of ICT solutions.



h.

Promotion of Creative Partnerships through the demonstration of successful clusters can achieve the best results.

i.

The business education system, construction of basic education under the theme of the creative industry in general education schools will also be necessary. Scholarship programs should be designed in a high school youth and students to provide perspective.

j.

It must be pointed out that the creative industry is not equal to the artistic activity.

k.

The creative industry has a revenue-generating capability and provides a livelihood.

l.

The spreading concept of creative class and creative departments to identify and assist the development of social implantation.

It is obvious that there are very close linkages and mutual fertilization between Creative Industries and other relevant sectors. This process should be developed and strengthened. The further development of concepts for lifelong learning are advanced by the Creative Industries. They are also of great importance both for society and for the increase of the quality of life in general.

- - -

This comment is fed by the experience in various fields of activity and years of expertise of the partners both from within and outside the project Creative Cities. We have consciously decided to keep the various statements individually next to each other.

For further inquiries, the partners are always at your disposal.

Leipzig / Berlin
29.07.2010

Annex



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