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**COMMISSION STAFF WORKING DOCUMENT**

**Analysis of the consultation launched by the Green Paper on "Unlocking the potential of cultural and creative industries"**

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## COMMISSION STAFF WORKING DOCUMENT

### Analysis of the consultation launched by the Green Paper on "Unlocking the potential of cultural and creative industries"

#### 1. INTRODUCTION

The cultural and creative industries are a powerful motor for jobs, growth, export earnings, cultural diversity and social inclusion, representing 4.5% of total European GDP in 2008 and accounting for some 3.8% of the workforce.<sup>1</sup> They therefore have a vital contribution to make to the **Europe 2020 Strategy for smart, sustainable and inclusive growth**.

With the view to maximising this contribution, the Commission adopted on 27 April 2010 a Green Paper on "Unlocking the potential of cultural and creative industries".

This report provides an analysis of the responses to the consultation launched by the Green Paper.

The consultation was aimed at gathering comments from the general public, public authorities and civil society bodies – including companies – active in the cultural field across Europe on the type of environment that is needed for cultural and creative industries (hereinafter, "CCIs") to thrive. While recognising the importance of initiatives at all levels of governance, the consultation focused more particularly on priorities for action at European level.

The questionnaire and all contributions are available on line at the following page of the Europa website:

- [http://ec.europa.eu/culture/our-policy-development/doc2577\\_en.htm](http://ec.europa.eu/culture/our-policy-development/doc2577_en.htm).

#### 1.1. Brief background to the Green Paper "Unlocking the Potential of cultural and creative industries"

The Green Paper examines the various options that could increase the competitiveness of CCIs in Europe. It includes multiple perspectives, ranging from the business environment to the need to open up a common European space for culture and creativity, from capacity building to skills development and promotion of European creators on the world stage.

According to the Green Paper, for CCIs to be able to make the most of the opportunities offered by **cultural diversity, globalisation and digitisation**, the **key drivers** of these industries' further development, the challenge is:

- To put the right **enablers** in place through an increased capacity for experimenting and innovating, easier access to funding, better innovation and business support and access to the right mix of skills;

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<sup>1</sup> Study on "Building a Digital Economy: The importance of saving jobs in the EU's creative industries", TERA Consultants, March 2010.

- To help CCIs develop in their **local and regional environment** as a launch pad for a stronger **global presence**, including through better **internationalisation** support and increased **exchange and mobility**; and
- To move towards a creative economy by **catalysing** the **spill-over effects** of CCIs on a wide range of economic and social contexts.

## **1.2. Methodology for analysing the responses**

The consultation consisted exclusively of "open" questions. Therefore, this report provides only a qualitative analysis based on the comments received, and illustrates this analysis with "key quotations" to provide first-hand accounts of the comments made by respondents. All quotations within the report remain anonymous. It also summarises the respondents' recommendations for actions at the European level, without prejudging the actor(s) that should carry them out. Finally, it is also important to keep in mind that the report simply reproduces positions and statements as they were put forward by the respondents to this public consultation.

## **2. CONSULTATION RESPONSES**

The Commission received 350 responses through various channels: the online application, the Interactive Policy Making (IPM) tool, the [EAC-Creative-Europe@ec.europa.eu](mailto:EAC-Creative-Europe@ec.europa.eu) email box and by post.

Respondents to the consultation answered questions in relation to seven main subject areas. These areas were as follows:

- New spaces for experimentation, innovation and entrepreneurship in the cultural and creative sector;
- Better matching of the skills needs of CCIs;
- Access to funding;
- Local and regional dimension;
- Mobility and the circulation of cultural and creative works;
- Cultural exchanges and international trade;
- Towards a creative economy: the spill-overs of the CCIs.

### **2.1. Type of respondents**

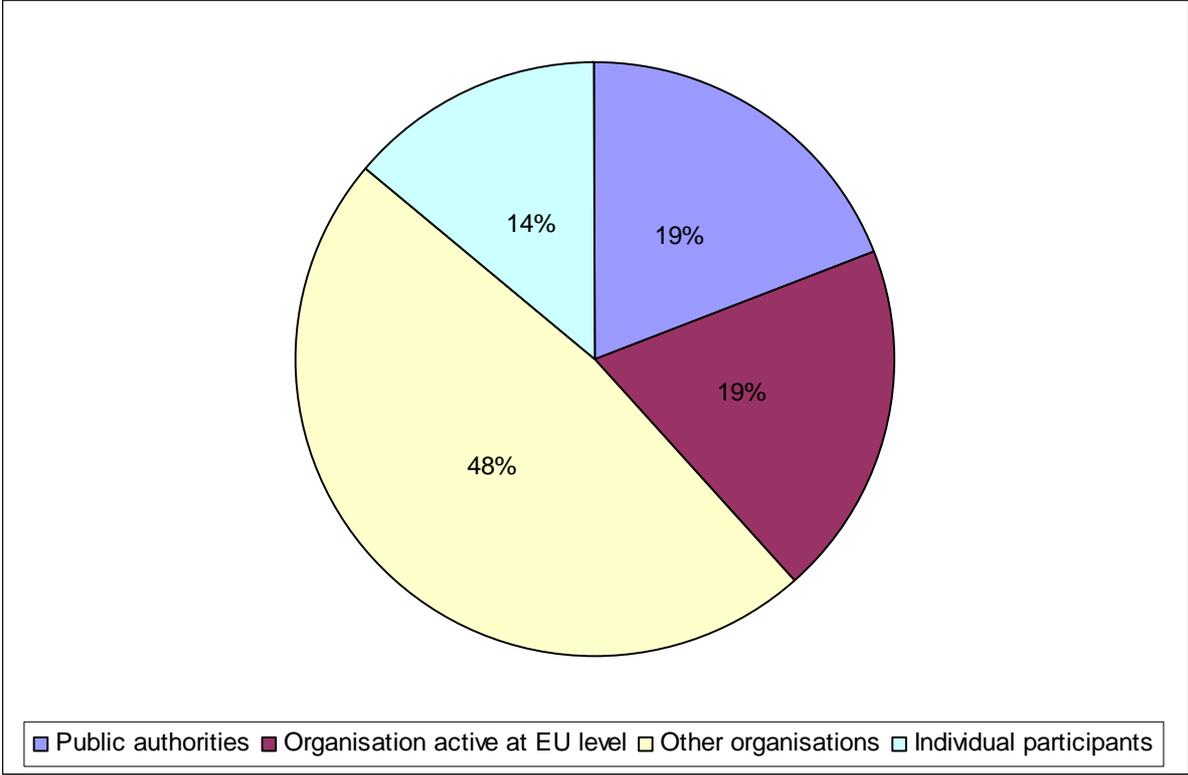
Two thirds of all contributions (67 %) came from organisations active at either European, national or sub-national levels, while one third came from public authorities and individuals. The high proportion (48 %) of organisations – companies, professional associations or foundations – whose main activities primarily lie at national or sub-national level shows that the Green Paper found a strong echo in EU Member States.

Many public authorities – at national, regional or local level – from 19 Member States (Austria, Belgium, Bulgaria, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Ireland, Italy, Latvia, the Netherlands, Poland, Portugal, Romania, Spain, Sweden and the UK) as well as the EEA/EFTA States contributed to the consultation.

Last but not least, about 50 individuals also gave their opinion.

The 350 responses were distributed among different types of stakeholders as follows:

*Table 1: Type of respondents to the consultation*



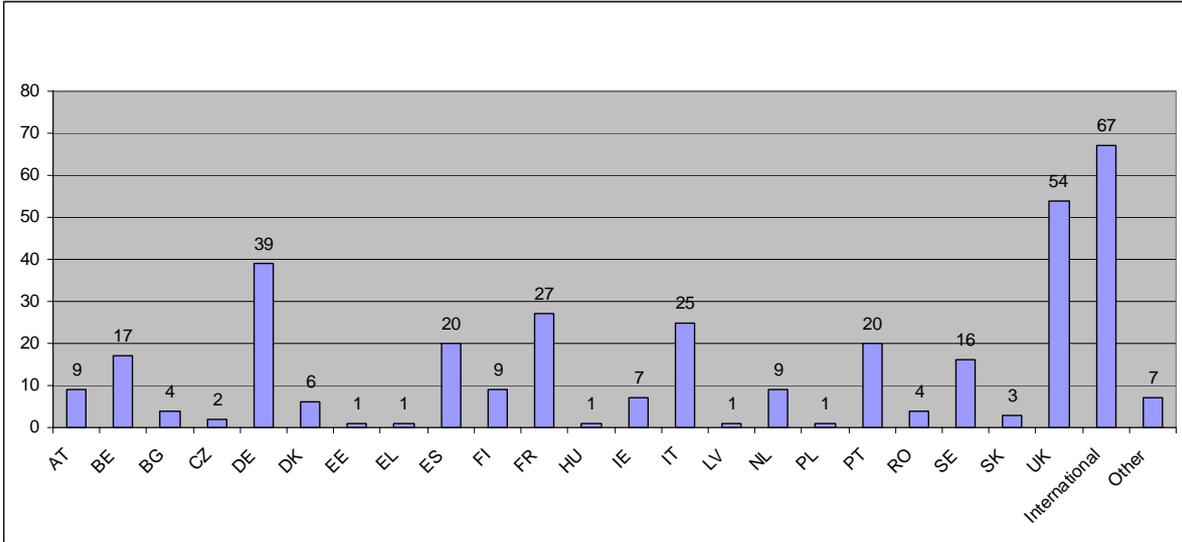
**2.2. Geographical distribution of respondents**

The overwhelming majority of respondents had an EU Member State as their country of origin – the UK and Germany featuring prominently. There was also a relatively high proportion of contributions from smaller countries such as Portugal, Belgium, Sweden and – to a lesser degree – the Netherlands.

All in all, responses were received from 22 EU Member States and 5 third countries (Brazil, China, Croatia, Liechtenstein and Serbia).

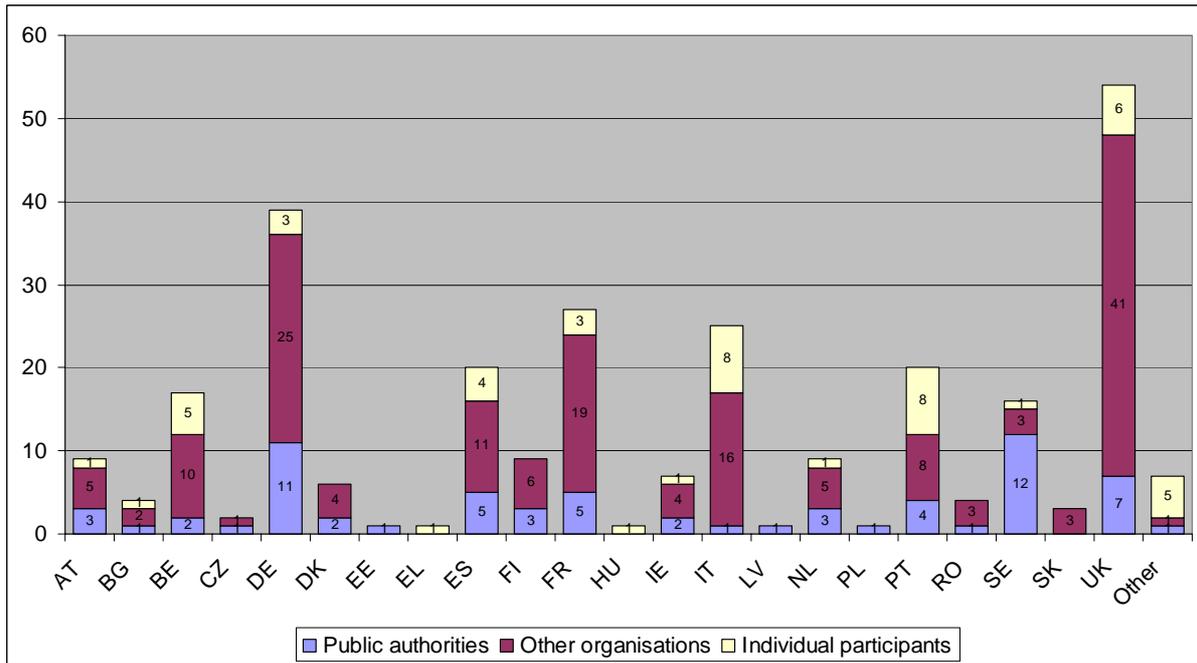
The total distribution of respondents by country of origin is provided below:

*Table 2: Number of responses per country*



Please note that the "International" category mainly covers organisations that represent the interests of a given sector at EU or international level, as opposed to organisations that represent the interests of sectors at national or sub-national levels but can also have activities going beyond national borders.

Table 3: Number of respondents per country and type



### 2.3. Sector of activity of respondents

The total distribution of respondents by sector of activity is provided below and shows that the diversity of CCIs was well covered, with a good mix of respondents ranging from scarcely "industrialised" sectors such as performing or visual arts to commercially-oriented ones such as design.

Table 4: Split of respondents per field of activity

Sectors	%
Cultural heritage	8
Visual arts	7
Performing arts	11
Books and press	8.5
Music	8
Film - DVD - Video	9
Television and radio	8
Video games	2.5
New media	4.5
Architecture	3
Design	5.5
Other <sup>2</sup>	25
Total	100

### 3. ANALYSIS OF THE RESPONSES

This chapter provides a more in-depth analysis of the substantive responses to the questionnaire. After some general comments the subsequent sections are devoted to the above-mentioned seven areas covered by the questionnaire. The analysis was made more complex by the richly varied – and sometimes also conflicting – ideas contained in the contributions.

#### 3.1. A general overview

**A timely initiative** - The vast majority of respondents welcomed the Commission's initiative to spark a Europe-wide debate on the requirements of a stimulating environment for the EU's CCIs, and enjoyed the opportunity that was given to them to feed their own expertise and direct knowledge of the sector into the debate.

The Green Paper was seen by many as a useful and important document showing the great potential of the CCIs for Europe while at the same time, pointing out the challenges and obstacles still to be faced or emerging in the field.

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<sup>2</sup> The category "Other" includes in particular Ministries or regional/local authorities as well as organisations that do not have a sectoral focus.

It was also considered as an expression of the European Commission's willingness to see CCIs as *"an issue within the overall development of the European cooperation and integration process, reflecting so the growing understanding of their importance in our societies, both from a social and economical point of view"*.

It was also pointed out by respondents that the Green Paper tied in with many current initiatives at national or sub-national levels and was therefore particularly timely, as there is clearly a need for stakeholders everywhere to learn from each other.

**Wide support for the broad approach of the Green Paper** - Most of the respondents were supportive of the wide-ranging scope of the questionnaire included in the Green Paper, and called for actions at all levels of policy governance. More particularly, the emphasis put on the local and regional levels, education, the needs of SMEs and other small structures and experimentation and R&D was welcomed.

However, to some respondents, this broad scope was potentially an obstacle to having a more thorough debate on a reduced number of highly challenging issues, with a collateral risk of diluted answers leading to no concrete measures.

As a whole, the majority view was that the contextual analysis of the key drivers and enablers of CCIs presented in the Green Paper was correct and that the Commission's document provided a good reflection of the current situation and future potential of these industries.

**The issue of definitions** - There was equally little criticism regarding the definitions of "cultural industries" and "creative industries" suggested in the Green Paper. Although there is not an unanimously accepted definition for the expression "cultural and creative industries", it appears that the sectors included in these two categories correspond to a large extent to the categories used by national or regional authorities or by professional organisations in Member States to describe the components of these industries.

Some respondents felt that the distinction made in the Green Paper between "cultural industries" and "creative industries" was very relevant as there are strong differences between the two categories, and that it should have been maintained throughout the document.<sup>3</sup> On the contrary, others considered this split somewhat artificial, even potentially dangerous and in contradiction with the overall ambition of the document to follow a general – as opposed to a sector-specific – approach.

In any case, there was also a strong acknowledgment of the heterogeneity of the sectors covered, from "non-industrial" and not-for-profit sectors to sectors that are totally industrialised and fully business-oriented in the way they operate.

**The role of individual creators, artists and performers** - Some respondents also stressed that all these sectors, even the more commercially oriented, are driven by individual creators, artists and performers. As expressed by an organisation active at EU level, *"there is a need for*

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<sup>3</sup> One respondent suggested another distinction between three quite different types of creative businesses, namely content businesses (such as film and music production companies), process or service businesses (such as design companies or advertising agencies), and distribution businesses, while recognising that there was some overlap between the first and third categories in that large distribution businesses often acquire content businesses. According to the contributor (an organisation active in the field of finance), this categorisation would be particularly relevant as far as access to funding was concerned.

*a large core of artists in the centre from where talent and ideas are growing, where potential can be found".* It is vital to avoid creating a distance between individual artists and culture professionals on the one hand and the industries on the other hand. There was therefore a need to closely connect support to CCIs and support to individual creators, inter alia through the establishment or preservation of good working conditions.

To better incorporate "traditional" or "core" cultural sectors (performing arts, fine arts, cultural heritage) as well as these individual artists and creators into the concept of CCIs, one contributor suggested replacing "Cultural and Creative Industries" with "Cultural and Creative Industries and Activities" (CCIAAs).

**A strong insistence on cultural diversity** - A vast majority of respondents insisted on the need to keep cultural diversity as a key principle of any policy measure, in line with the 2005 Unesco Convention on the protection and promotion of the diversity of cultural expressions. The Convention is seen as a good tool for creating an environment which ensures an equitable access to the means of creation, promotion, production and distribution for all cultural players. According to many contributors, this implies also maintaining the diversity of entrepreneurs as a way to keep a diversity of voices, and having a fair access approach, in order to create and maintain a level playing field for all actors involved. A vast majority of respondents called on the EU to ensure that this Convention is implemented in EU funding programmes and in EU policies, externally (in EU relations with third countries) as well as internally (in EU competition policy, internal market policy, etc.). In this context, the government should act as trust holder of cultural diversity and make sure that a strong variety of content reflects the diversity of perspectives and values embodied in our cultural expressions.

**The importance of copyright and of efficient copyright clearance** - There was a general feeling among the respondents that the Green Paper paid scant attention to copyright, which is nevertheless central to CCIs as it represents the key system of protection of works, allowing their exploitation and rewarding the authors. Many respondents – a large proportion of them being right-holders – considered that the highest policy priority in the digital copyright field should be the promotion of a vibrant and thriving pan-European market for the distribution of legal digital content. The overarching goal should be to give the consumer easy, flexible access to a rich source of digital content while securing the return on cultural and creative investment as well as the remuneration of cultural workers, and fostering a climate conducive to innovation, experimentation and evolution in the digital marketplace (see also under 3.2).

A majority of respondents highlighted that it was important to ensure a favourable regulatory environment allowing collective management societies for copyright and related rights, whose role is essential for enabling right holders and CCIs to carry out their activities effectively, ensuring legal security for right holders and users alike. In this respect, respondents underlined the need for effective and efficient multi-territorial licensing and the need to achieve further progress by establishing a true Digital Single Market for content and services.

Some respondents, mostly telecommunication operators, advocated the creation of a coherent framework for all audiovisual media services with a simpler and faster rights clearance process.

At a more specific level, there were calls, in particular from telecommunication operators, for the creation of one or more freely accessible databases containing ownership of rights and licence information on musical, audiovisual and other repertoire, for more transparency as to

the repertoire of musical works controlled by each licensor and for reform of the private copy levy system.

A lot of respondents considered that it was important to provide the necessary tools in order to facilitate the enforcement of rights online and fight against online piracy through proper implementation of existing legislation, new legislation and an increased dialogue between content providers and ISPs or other relevant stakeholders. As a way to encourage compliance with copyright and related rights, several respondents stressed the need to develop public awareness campaigns.

**CCIs and Europe 2020** - There was a strong acknowledgement that CCIs have an important role to play in the Europe 2020 Strategy and its flagship initiatives, in particular the two that were mentioned in the Green Paper, namely the Digital Agenda and the Innovation Union. Other flagship initiatives were mentioned, in particular "An agenda for new skills and jobs", "An industrial policy for the globalisation era" and "Youth on the move".

Regarding the Digital Agenda, some respondents expressed the concern that the Communication adopted by the Commission on 19 May 2010<sup>4</sup> had a very strong emphasis on information and communication technologies, to the detriment of content-producing industries. Some also warned against the temptation to see CCIs only as providers of material for the further development and roll-out of ICTs, recalling that CCIs exist independently from ICTs and that ICTs are "just" a tool with – indisputably – strong implications for these industries.

Regarding the Innovation Union, which was not yet adopted at the time of the public consultation, expectations were high that it would embrace a very broad concept of innovation, underlining the key importance of creativity and – in particular – "culture-based" creativity (see under 3.2).

The vast majority of the respondents shared the view expressed in the Green Paper that CCIs were high value growth engines whose assets (mostly intangible) are at the basis of modern service and content-oriented market economies. As a consequence, they saw a better provision of support for the development of CCIs as essential to the future growth of the European economy.

However, as noted by many, there is still a need to make public authorities and private actors more aware of this potential. CCIs and – more generally – culture are still too often perceived by them as a source of public expenditure for the benefit of only a few and as providers of *"superfluous goods and services, deprived of economic and social usefulness especially in a crisis scenario"*. In this regard, a contributor pointed out that efforts that have been made during the 1980s and 1990s of the past century to bring environmental issues to the fore, which eventually lead them to a political priority at national and international levels may serve as a source of inspiration in the drive for recognition of the creativity and innovation potential of CCIs.

**What kind of intervention for public authorities?** - It strongly emerged from the consultation that many respondents were supportive of public intervention in the sector, and called for cross-sectoral administrative cooperation. A transversal and cross-cutting policy

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<sup>4</sup> COM(2010) 245.

should be put in place allowing for these industries to really "unlock their potential". This integrated approach should therefore go beyond Ministries of Culture traditional span of action and embrace other governmental policies in the fields of economic affairs, education, urban and regional development and territorial planning. However, as pointed out by some, the cultural dimension of such an approach should not be diluted, but on the contrary reinforced in this cross-cutting process.

As was highlighted by some respondents, the role of government should be to support "*the hard work, entrepreneurship, innovation and creativity of those running creative businesses and employed in the creative sector*". Other respondents stressed the need to strike the right balance between public intervention and cultural freedom.

The following sections give an overview of the main issues raised by respondents and of the related proposals for action by public authorities.

### **3.2. New spaces for experimentation, innovation and entrepreneurship**

Questions: How to create more spaces and better support for experimentation, innovation and entrepreneurship in the CCIs? 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?

**Creativity and innovation** - There was a general feeling among the respondents that 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. In this context, there is clearly a role for CCIs in boosting "*creative innovation*" or "*culture-based innovation*".

In this regard, the Conclusions on "Creating an innovative Europe", adopted in May 2010 by the EU Competitiveness Council and recognising that "*non-technological innovation, including design, innovation in services as well as culture-based creativity, is an important tool for competitiveness, growth and quality of life for citizens*" were seen as a unique turning point for the cultural and creative sectors. However, there was also acknowledgment that for these sectors to play their role as innovation conduits for the whole economy and society, they had first to fully embrace experimentation, innovation and entrepreneurship for themselves, so that Europe continues to be seen as a leading creative hub worldwide.

**Collaborative "spaces" acting as professional hubs for CCIs** - There was a majority view that "spaces" – whether physical or virtual, temporary or permanent – had an essential role to play in reinforcing experimentation, innovation and entrepreneurship within CCIs. Many respondents expressed the view that it was necessary to provide these industries with more places for higher concentrations of talented people and institutions.

Such spaces are seen as ideal settings for all types of multi (but also sometimes mono) disciplinary and cross-border partnerships between content, media and technology providers, or – more broadly – between cultural and creative institutions, businesses, universities and research institutions. According to the majority view, the main advantage of these collaborative spaces is that they act as professional hubs offering a pooling of knowledge and resources that is particularly relevant in sectors characterised by an increasing number of freelancers and nano-enterprises.

It was noted by many respondents that 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".

However, it also emerged from the consultation that the funding of such spaces is very often problematic - especially in times of public spending restraints - partly because returns on investments are difficult to predict.

**ICTs as important drivers of innovation among CCIs** – On the whole, ICTs were largely considered by respondents as a key – but not the only – driver for innovation within CCIs. Some respondents however felt strongly that cultural content was also crucial in a digital economy. In other words, the digital economy would suffer considerably without quality and constantly renewed cultural and creative contents: *"this is the content that drives technology"*.

Respondents explained that ICT services were already – and could be further – integrated into cultural and creative activities in many ways. Indeed, the digital environment can lead to new services, products, processes or formats, and ICTs are increasingly seen as a means to develop new ways of making performances, promote new production techniques, develop new working methods or change cultural practices to name but a few examples.

When applied to cultural content and heritage, ICTs can also be useful for reaching out to new audiences and improving access to culture either as marketing and information tools (online trailers, online ticketing, online sales etc.) or – more importantly – as a dissemination tool offering *inter alia* new opportunities in financing content production through micropayments and donations. By way of example, several respondents pointed out that in the performing arts the digital environment now allows organisations to communicate with new audiences through the Internet, be it by streaming or downloading a pre-recorded performance. This kind of experimentation could also find new applications in theatres with the advent of digital cinema.

However, such ICT-based applications require cultural content to be digitised, and – as pointed out by many respondents – going digital is very costly.

**Conditions for a wider use of ICT applications by CCIs** - There was also a widespread feeling that some pre-conditions had to be met to enable CCIs to further experiment with, and make innovative use of, digital technologies.

Many respondents highlighted the vital importance of infrastructure, referring here not only to the availability of well-equipped "spaces" as mentioned above, but also to broadband availability country-wide or free wifi availability throughout cities. They also stressed the need for interoperable technical formats and open standards for digitisation. Others mentioned the availability of open digital repositories of information and data publicly held or produced, including extensive digitised cultural content. In this connection, some respondents stressed 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.

The development of such platforms would be boosted by the application of reduced VAT rates to online cultural products and services, some of which – ironically – benefit from reduced rates in the offline – as opposed to the online – environment.

Another precondition very often quoted by respondents was the need for a carefully balanced approach regarding the competing interests of the different stakeholders (i.e. rights-holders, collecting management societies and users) with regard to intellectual property – and in particular copyright and neighbouring rights, to ensure a climate conducive to the development of innovative new business and content distribution models for the benefit of the European consumer (IPR aspects are considered under 3.1).

Finally, there was a widespread feeling that the roll-out of ICT services in CCIs is also highly dependent on the development of e-skills among professionals and – more generally – on the improvement of media literacy. Some ideas were floated by respondents such as the mentoring of smaller organisations by organisations already skilled in digital technology, measures to raise 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. Respondents described various national or more local initiatives in this respect.

**New business models** – It appeared from the consultation that business models are today one of the biggest challenges for CCIs, and a vast majority of respondents drew attention to the dependence of many CCIs on the exploitation of IPRs (*"fair rewarding of creation"*) while recognising the need for new business models to emerge that are relevant in a digital environment. Some respondents pointed to the potential for growth by businesses taking advantage of digital technologies to develop new business models. In their search for innovative business models for making content available online, CCIs need to be able *"to master the technology, design and marketing strategies necessary to establish the new platforms that will drive content distribution in broadband Europe"* and should ensure the level playing field conditions required by cultural diversity.

Increasing the experimentation, innovation and entrepreneurship within CCIs ultimately depends on the availability of appropriate funding (see under 3.4), in particular for the product and service development phases associated with risk-taking and a high non-predictability of results, as well as the availability of strategic IT and multimedia skills mastery within businesses and organisations (see under 3.3).

#### ***What about the European Union?***

*The main requests for European level action emanating from the public consultation can be summarised as follows.*

*According to the respondents, the 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;*

*- 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;*

- 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;

- help CCIs explore and test new business models, as well as R&D in this area.

### 3.3. Better matching of the skills needs of CCIs

Questions: 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?

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

**The need to reinforce creative skills** - At a general level, many respondents felt that 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 was called for. The need for reinforcement of arts education was also mentioned in this context

**Better addressing the evolving needs of CCIs** - There was strong support for the idea of continually adjusting training and practice to a constantly changing environment. For this purpose, education institutions – and not only art and design schools mentioned in the Green Paper – were invited to 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, was mentioned by an overwhelming majority of respondents. New needs also include cross-disciplinary curricula such as the need to combine in one curriculum both mathematical and drawing skills in order to work effectively in the 3D media sector.

In this context, many respondents also emphasised the need to improve initial professional training, professional integration and continuing professional development of professionals. A few mentioned that cooperation with universities was not always easy and reproached the latter for being too often "*monolithic*" structures lacking flexibility, while contemporary creative practice is very often multimedia and interdisciplinary.

Last but not least there was also some support for the idea of having a regular mapping of the skills needs of CCIs so as to adapt the education on offer accordingly.

**The key role of incubators** - The setting up of incubators was welcomed by most respondents. Although universities are the "traditional" incubators, it was however mentioned that the creation of more and more diverse physical spaces for the training of cultural and creative entrepreneurs was 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. Many respondents considered that virtual spaces would also be important in delivering this agenda.

**Peer-coaching** - Many respondents supported the idea of 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. It was recommended to develop peer-to-peer platforms, where companies would learn from successful entrepreneurs. Many respondents felt that 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.

Some respondents however mentioned the fact that peer-coaching, although a valuable way of ensuring informal up-skilling, is unlikely to cover all skills needs. A combination of entry-level skills development, continuing professional development and informal learning is likely to be required.

In this area, some respondents were also more receptive to a "bottom-up" approach, considering that peer-coaching and fostering of business/school partnerships ought to be done at the grass-roots level.

**An improved relationship between education institutions and businesses** - On a more general note, a better relationship between education institutions and industries was called for, 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 (HEI) and conservatories and/or art schools; collaboration between HEI and government agencies (e.g. identification of needs in industries and gaps in education and training) as well as collaboration between HEI and the private sector (may lead to the creation of strong vocational courses that are fit for industry needs and deliver strongly on employability).

Finally, partnerships with businesses could also help education institutions to better address in their curricula disciplines such as personal career development, entrepreneurship or small business management.

#### ***What about the European Union?***

*The main requests for European level action emanating from the public consultation can be summarised as follows.*

*According to the respondents, the 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;*

*- further use EU programmes to promote the widest possible engagement in new technologies, in particular digital technologies;*

*- 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.*

### 3.4. Access to funding

Questions: 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 was a high level of consensus across respondents that **one of the most important problem faced by CCIs is access to funding** and that it was necessary to provide them with a wide range of funding tools as the needs differ from one industry to another (see also under 3.1, the definition issue) and from one enterprise to another.

**A better understanding between investors and CCIs** - A lot of respondents considered that a first precondition for making access to funding easier was to establish effective communication between CCIs and financial institutions. Some respondents suggested targeted awareness-raising campaigns which would show the economic potential of CCIs. Many stressed that public authorities have an important role to play in facilitating the setting up of links and new forms of partnerships between CCIs and investors. As part of this dialogue, it was deemed of crucial importance to try and increase banks' and financial institutions' ability to assess businesses relying on immaterial assets as well as the risks associated with them. Several respondents emphasised the need to explain to potential investors or sponsors the business benefits of investing in CCIs and to disseminate widely across Europe the expertise developed in the area by a few financial institutions in some Member States.

**Improved investment readiness** - As a way to improve CCIs' investment readiness, respondents suggested supporting further collaborative partnerships or joint forums between development agencies, investors and CCIs. This would not only give CCIs the opportunity to highlight their specificities and strong potential, but also motivate investors to become more proactive. Respondents also emphasised the need to support networking and cross-border exchange of good experience, as well as to spread ideas and successes in this field.

Another idea that was often mentioned was to provide CCIs with more and relevant information about funding sources existing at various levels, as well as with formal or informal training about funding sources. Many respondents also proposed the introduction of management support programmes which could help enterprises improve their management ability, and develop and present business plans in a more convincing manner.

**Guarantee mechanisms to reduce the risks** - Bank loans remain a crucial source of funding for CCIs, in particular those that are SMEs. Respondents shared the view expressed in the Green Paper that due to the financial recession, many banks had become more risk-averse and, as a result, more reluctant to support CCI businesses because of their high risk profile. In this connection, several respondents pointed to the need to set up guarantee mechanisms to encourage investors and banking institutions to invest in creative enterprises. Many respondents highlighted the crucial role of public finance (at both national and EU level) in this regard. As a good example, several respondents mentioned the MEDIA Production Guarantee fund, *"which will help the audiovisual sector to develop new working and assessing methods and which could be used also for the growing of SMEs"*.

**Support to micro-credit schemes** - Several respondents pointed out that micro-credit is the funding mechanism best suited to businesses within CCIs. Its role was seen as very important, especially in the start-up phase of SMEs as well as for small-scale investment projects.

**Greater use of venture capital** - Many respondents considered that the use of venture capital was still underdeveloped in Europe. Some strongly supported the Commission's proposal to improve venture capital provision, while adapting it to CCIs and developing new instruments to raise additional capital for innovative CCIs.

**The need for business angels** - For some respondents business angels have to be involved in the process of presenting the sector to potential investors. For others *"... successful entrepreneurs could be stimulated to operate as business angels and finance a whole new generation of entrepreneurs"*.

**The role of public authorities** - A majority of respondents highlighted the 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. Indeed, involving private finance was seen as *"increasingly important especially in the current economic climate when there is a reduction in public subsidies for culture."* In this respect, the role of the regional level was deemed of particular relevance (see also under 3.5). Public authorities were 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.

**The importance of intermediaries** - Finally, many contributors highlighted the key role of intermediaries acting as an interface between worlds which do not yet know each other well, helping to build trust and understanding of objectives and expectations, and developing or fine-tuning working methods for the benefit of all stakeholders (see also under 3.8).

#### ***What about the European Union?***

*The main requests for European level action emanating from the public consultation can be summarised as follows.*

*According to the respondents, the 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);*

*- adapt existing EU 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;*

*- 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.*

### 3.5. Local and regional dimension

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

There was a high level of consensus among the respondents that cultural and creative industries *"can play an active role to boost local and regional economies, develop sustainable activities and increase territorial attractiveness"*, especially during difficult economic times. As was pointed out by one contributor, *"the strength of local CCIs are increasingly seen by cities and regions as soft location factors that can help to boost their economic competitiveness."*

**CCIs as key ingredients for integrated local/regional development policies** - A majority of respondents agreed on the need to embed cultural and creative sectors in local/regional development policies. As a basic step, it was largely considered that there was still a need to further raise the awareness of local/regional policy makers about the high potential of this sector, without *"over-inflating expectations"*. At the same time, respondents argued strongly for a bottom-up approach triggering as much citizens' participation as possible and based on a very close and ongoing collaboration between all different stakeholders concerned.

**Place-based development approaches or "smart specialisation"** - For the majority of respondents, CCIs find their specificity and originality in their immediate territory: *"Regional and local development through CCIs should use and strengthen the specificities and excellence of each area, as well as the area's local resources."* The success of any integrated strategy therefore depends very much on how regions are able to adapt, adjust, re-discover and re-combine their assets and resources. It should therefore be based on a thorough territorial mapping of existing resources and infrastructure.

It was also noted by some contributors that at the same time, all initiatives at local/regional levels should form part of and reinforce an overarching strategy to be developed at national and European levels, creating synergies and interactions between all levels of governance. To that effect, it was recommended to attune the regional interests and opportunities more closely with the European level.

**CCIs and intercultural communities** - Several respondents stressed the fact that *"creativity naturally flourishes in an open-minded environment that is able to stimulate interaction and exchange while establishing synergies across the educational system, enterprises and society"*. The larger urban centres, or metropolitan areas, play an essential role in bringing together people from diverse backgrounds and of varying socio-economic status. These locations offer platforms for cross-cultural exchange, and ideally promote understanding, tolerance and dialogue between different communities.

**Cluster, hubs and networking** - There was a high level of consensus among respondents on the 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. Several respondents emphasised the specific role of such hubs as conduits for creativity and innovation (see also under 3.2 and 3.8). Other respondents stressed 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"*.

**CCIs and the link with cultural tourism** - Many respondents drew attention to the role culture and CCIs play in reinforcing tourism at regional and local levels. Indeed, *"cultural tourism is beneficial for the regional economy (...). The presence of well-preserved historic buildings and sites strongly influences tourists' decision-making and choice of destination. The valuation, re-use and animation of cultural heritage increase the probability of the success of the economic strategies of local development."* Reinforcing links between CCIs, cultural heritage and tourism offers an opportunity for economic diversification of the different geographic areas and regions. Vice versa, tourism was seen as an important incentive for CCIs' development and sustainable use of cultural heritage. The question here is also how to link integrated local or regional development strategies, CCIs, cultural heritage and tourism.

#### ***What about the European Union?***

*The main requests for European level action emanating from the public consultation can be summarised as follows.*

*According to the respondents, the EU should:*

- help local and regional authorities to give better support to CCIs. When developing its policies and instruments the EU should always take into account the specific role CCIs can play in regional and local development;*
- 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, schemes for staff mobility or placement of postgraduates;*
- 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. Respondents underlined the usefulness of developing toolkits, with good practices, statistics, etc.*

### **3.6. Mobility and circulation**

Questions: 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?

As was pointed out by one respondent, *"mobility is the lifeblood of creative activity but national laws and institutional barriers still restrict the activities of creative stakeholders all*

*over Europe. While many creative entrepreneurs and employees think and work internationally, they still fight against restrictions making their work difficult or even impossible."*

**Regulatory and other issues impacting on mobility** - Although this aspect was explicitly excluded from the Green Paper's scope, many respondents commented on regulatory, legal or other issues severely impacting on mobility such as visa issuance, disparities in social and fiscal regimes, insurance costs, copyright clearance, market segmentation, or the lack of recognition of qualifications. Some also highlighted more sector-specific problems, such as the transport of instruments and other equipment on aeroplanes.

These contributors called on the EU and the Member States to do their best to remove such obstacles. Other respondents, in particular organisations active at EU level, stressed that the very often difficult working and living conditions prevalent in the arts and culture sectors had a limiting impact on cross-border mobility. More generally, it was pointed out that for small companies and freelancers – constituting the vast majority of CCI companies – it costs a "*big amount of time and money to travel all over the world*".

**Tackling the underlying conditions for increased flows** – A lot of contributors highlighted key underlying conditions that could help support cultural mobility in general, such as the provision of information on mobility issues, the production of statistics on mobility flows, sustainability (be it economic, social or environmental) as well as the reinforcement of capacity building<sup>5</sup> among cultural operators, intermediaries and advocacy organisations (see also under 3.3). In this connection, some respondents stressed 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.

**Increasing the cross-border flows of people and works** - It also emerged from the consultation that the interpretation of what is meant by circulation of works or mobility of people is very sector-dependent. "Circulation of works" can indeed relate to (mobile) performers or artists, museum collections, cultural contents, demand-driven commercial distribution mechanisms or licensing. Depending on the sector (e.g. audio visual, music, publishing, theatre, visual arts, etc) differing measures to stimulate the circulation of works or content were suggested, ranging from increased networking for artists and creative entrepreneurs to export strategies, from support for touring and talent exchange programmes to joint creations, co-productions and co-editions, from improvement of professional skills to capacity building of intermediary organisations and support to green mobility patterns.

**Strong support for the concept of "residencies"** - The concept of "residencies" was widely supported. In their submissions, some respondents went one step further in explaining the kind of residencies that should be supported: 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. Some also suggested having programmes of

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<sup>5</sup> Understood here as the ability to engage, to create one's network or to develop one's knowledge of market activities beyond national borders.

residencies of artists and CCI professionals in businesses or administrations which do not belong to the cultural sector.

Moreover there was a widespread call for *"more collaborative working at an EU level, and on a global basis to support the mobility of art in a way that benefits both the artists and the greatest number of audiences."*

**The issue of languages** - The importance of linguistic diversity was stressed by many respondents, as well as the need to support the various instruments (dubbing, sur- and subtitling, translations, etc) that enable works in the original language to circulate and be more widely accessible.

**What about virtual mobility?** - Many respondents recognised that ICT can open up new opportunities for the circulation of content, although almost all stressed that virtual mobility is no substitute for face-to-face contact and a "real presence". The possibilities offered by virtual exchange and communication tools (e.g. conferencing) should therefore be further explored. This would include efforts to boost digitisation of cultural content, promotion of better internet facilities as a way to encourage the spread of online legal offer platforms for cultural services, social networks and communities, databases, web TV etc. as well as training in ICT applications (see also under 3.2 and 3.3). A further point made was that the development of online cross-border works would also entail copyright issues.

#### ***What about the European Union?***

*The main requests for European level action emanating from the public consultation can be summarised as follows.*

*According to the respondents, the 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;*

*- promote the exchange of good practices, peer-learning and regional/local co-operation;*

*- 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.*

### **3.7. International dimension**

Question: Which tools should be foreseen or reinforced at EU level to promote cooperation, exchanges and trade between the EU CCIs and third countries?

**Reinforcing cooperation with developing countries** - There was a general desire among respondents for a cooperation policy with developing countries that would encourage the

reinforcement and structuring of CCIs. Such a policy development should target not only local or national governments but also local players, including professional organisations and creative structures. Many respondents saw an important role for the EU in intensifying exchanges between CCIs from different countries as well as in helping Member States to foster networking with third countries. At the same time, a majority of contributors called for easier access to European markets for cultural products coming from developing countries with the aim of providing economic opportunities and therefore satisfactory contractual conditions for cultural players in those countries. These developments would require a dialogue with stakeholders in the European market.

**Promoting European CCIs and shaping a distinctive image of Europe** - A majority of respondents wanted to see a variety of promotional tools being used to reinforce cooperation and exchanges with third countries. These tools would entail developing industry-to-industry dialogue and cooperation to establish contacts, scouting missions and market intelligence, not only as a way to reinforce the presence of European CCIs on the world scene but also to shape a distinctive image of Europe. Access to trade fairs at both European and international level was also mentioned as a key way to expand professional networks and allow cultural and creative SMEs to grow their activities worldwide and engage in cooperation projects. Thus, the establishment of a branch network of European CCIs on key international markets outside Europe or the establishment of a European representation at European trade fairs were suggested by some contributors. Others suggested further mobilising the boards of existing national professional bodies (such as respected industry experts elected by local membership) as ready-made "creative ambassadors" between the EU and third countries. Some respondents said that the EU's external action service should consider having duly trained cultural attachés to promote cultural cooperation and exchange with the rest of the world.

**Increased circulation of works and artists in territories outside Europe** - In addition, there was a general feeling that artistic exchanges and sharing of knowledge should be further developed between European and third countries. By way of example, the idea of developing practice placements for the exchange of technical personnel having the same occupational characteristics or of setting up international cooperatives in which to address common problems among companies was mentioned.

**Trade-related issues** - As far as international trade is concerned, respondents highlighted the need to go global, since the rise in demand on the European market does not meet an ever increasing offer, the advantage of having trained brokers to this end, the possible gains to be had from the emergence of a "Creative Europe" brand as well as the benefits of increased co-productions.

Many respondents considered that the presence of European CCIs in third-country markets was too often hampered by numerous tariff and non-tariff barriers linked to poor distribution networks and operations and that a possible solution would be to identify those barriers that are subject to action under the instruments of trade policy.

A few respondents also mentioned the cultural protocols annexed to international trade agreements concluded by the EU, asking for more transparency about the negotiation strategy as well as for a public consultation in this respect.

**IPR legislation** - Last but not least, many respondents pointed out that the success of the EU's international trade in cultural products and services is also highly dependent on effective enforcement of IPR in th

ird countries.

### ***What about the European Union?***

*The main requests for European level action emanating from the public consultation can be summarised as follows.*

*According to the respondents, the EU should:*

- do more to help European CCIIs to benefit from new opportunities in international trade and cultural cooperation through various tools such as industry-to-industry dialogue or scouting missions;*
- extend the EU's Media Mundus programme to other cultural sectors;*
- integrate the CCIIs into technical assistance and cooperation programmes, adapting their content to the specific situation of each partner country;*
- make the drafting and implementation of appropriate and effective cultural protocols dependent on a detailed analysis of the situation and needs of European CCIIs and those of partner countries and on stakeholder consultations in the sectors concerned;*
- promote a better enforcement of IP rights when dealing with third countries.*

### **3.8. Towards a creative economy: the spill-overs of the CCIIs**

Questions: How to accelerate the spill-over effects of CCIIs 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 CCIIs 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 CCIIs on the one hand, and education institutions / businesses and administrations, on the other hand?

**Many spill-overs from CCIIs** - As already mentioned under 3.2, according to most contributors, there is a clear connection between the sector's ability to push forward its own boundaries and its potential to act as a conduit for innovation in other sectors of activity.

There was also strong support for the concepts of "broad-based" or "open" innovation, where creativity has a key role to play. As pointed out by one national authority, there is still a need for further *"raising awareness among the public and wider business community of the potential of CCIIs"* and their essential contribution to the emergence of a new economy. On the other hand, it was also felt by some respondents that the CCIIs themselves are not fully aware of the new opportunities offered by the new knowledge-based economy in terms of connecting with other business sectors.

A vast majority of contributors agreed with the Commission's analysis in the Green Paper, and gave many examples of spill-overs induced by CCIIs: from inspiring and nurturing creative and innovative entrepreneurship to designing new public service transportation or new

interactions between patients and health service staff, from integrating symbolic and aesthetic values into a product or a service to promoting behavioural shifts or fuelling digital devices and networks, from design thinking in all types of settings to the use of culture and creativity as a management tool for improving working relationships in companies etc.

However, there was widespread acknowledgment that the way these spill-overs occurred was still not well documented and that the multi-faceted positive externalities of CCIs on the economy and society, in particular in terms of creative and innovative potential, were not sufficiently measured.

Respondents drew two main operational conclusions from this lack of hard evidence.

**Need to further measure the innovative externalities of CCIs** - First, there was a general call for more data production, collection and dissemination, and for more research to be carried out. Some respondents also pointed to the 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.

**Supporting cross-sectoral linkages involving CCIs** - Second, there was the feeling that – in the absence of solid data-based evidence – *"there needs to be additional incentives that make traditional businesses willing to experiment with working with creatives and to see innovation process as an essential tool in the battle for success"*. One way of doing so that was mentioned in many contributions is 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 that were quoted 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 (see also under 3.5).

**The role of intermediaries** - The importance of intermediaries in accelerating knowledge transfers was widely recognised by respondents. As was pointed out by one contributor, intermediaries are all types of "transfer agents" linking CCIs *"with investors, with public authorities, with knowledge providers and with other artists and creatives with a view to developing new market opportunities for their works, their products and their services"*. They can be professional organisations representing the interests of CCIs or brokers between CCIs and other sectors and disciplines.

On the one hand, intermediaries were seen by contributors 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 was

considered an essential precondition for CCIs to feed the rest of the economy and society with their dynamism and unique creativity.

Another type of intermediaries whose importance emerged from the consultation was those acting more directly as effective mechanisms for knowledge diffusion. Such intermediaries were deemed essential for brokering the linkages and allowing seamless interaction between artistic and creative communities / CCIs and the wider society, in developing common languages that are respectful of and understood by the various stakeholders. Their function is to be the connectors between traditional industries and CCIs, sub-sectors within CCIs, and technology-based sectors and CCI businesses. For such connections to be efficient, a respondent also underlined the need to develop a framework for training programmes targeting artists and creatives willing to work in different sectors.

**The ideal characteristics of intermediaries** - According to many respondents, a condition *sine qua non* for intermediaries is to have a thorough and specific expertise of the sector, and to fully understand its needs, practices and realities. It is important to know what is of interest to potential partners but also the difficulties that need to be overcome in order to make things happen. Intermediaries should also be provided with the resources they need to acquire the knowledge that will enable them to act as a reliable interface. There was also a clear preference for highly flexible small structures acting at a micro-range (corresponding in size to that of most cultural and creative businesses) - as opposed to institutionalised larger and very formal units. It was also stressed by some that partnerships should pursue a well-defined objective, with a clear understanding of the role of all parties involved and be beneficial for all.

**The key role of partnerships with education** – The respondents emphasised strongly the key role to be played by partnerships with education. Such partnerships were deemed useful to better identify the needs of the sector and address labour market shortages. They include in particular – but not exclusively – creative business incubators, that is to say shared facilities for creative businesses which are linked to education institutions and the CCIs with a view to helping students take their first steps in business. Partnerships with education were also seen as essential as a way to increase artistic and creative engagement from an early age – including through media literacy –, to "nurture creative talent" and unleash the creative skills of all citizens from a lifelong learning perspective (see also under 3.3).

#### ***What about the European Union?***

*The main requests for European level action emanating from the public consultation can be summarised as follows.*

*According to the respondents, the 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;*

*- 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 the abovementioned 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;*

*- encourage – at EU level – more interdisciplinary policy making and an integration of "policies 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.*

#### **4. CONCLUDING REMARKS**

The Commission's 2011 work programme includes a Communication that will explain the follow-up to be given to the Green Paper. This Communication will draw on the submissions to the Green Paper's consultation, as well as the work carried out by the various groupings set up as part of the implementation of the European Agenda for Culture.

Since the Green Paper's adoption in April 2010, progress has been made in recognising the potential of cultural and creative industries in Europe.

The role of CCIs has been highlighted in some of the flagship initiatives of the Europe 2020 Strategy, in particular the Digital Agenda, the Innovation Union and the Integrated Industrial Policy for the Globalisation Era.

The potential of CCIs is well embedded in the Digital Agenda – including the follow-up to the Green Paper, the digitisation of cinemas<sup>6</sup> and issues related to media literacy. The objectives here are to promote growth in content-providing industries and to promote European cultural diversity through full exploitation of the opportunities offered by the digital shift. In this regard, it is also interesting to note that in their recent report the Reflection Group on bringing Europe's cultural heritage online<sup>7</sup>, set up by the European Commission in 2010, underlines the need for Europe to stimulate the digitisation of cultural content including through private-public partnerships.

Within this context, the Commission is working on a Communication on a European Strategy for intellectual property rights. This policy document will address the innovative potential of industries whose business models rely on copyright. The future policy in this field can be expected to deal with copyright as a tool to govern the complex relationship between a creator and his work as well as between creators, commercial users of protected works and end consumers.

Additionally, the Commission's Europe 2020 "Innovation Union" flagship recognises that the creativity and diversity of European citizens and the strength of our cultural and creative industries offer huge potential for new growth and jobs through innovation. Furthermore, the Commission's Europe 2020 flagship "Integrated Industrial Policy for the Globalisation Era" recognises that the cultural and creative industries are important drivers of economic and

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<sup>6</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on "Opportunities and Challenges for European Cinema in the Digital Era" (COM(2010) 487 final).

<sup>7</sup> Report of the "Comité des Sages" – Reflection Group on bringing Europe's cultural heritage online, January 2011.

social innovation in other sectors and has the potential to re-invigorate the competitiveness of the European Union.

Against this background, as already indicated in the two above mentioned flagship initiatives, the Commission will, in 2011, establish a "European Creative Industries Alliance". The Alliance aims at bringing together regional, national and European public and private actors supporting the CCIs with a view to mobilising additional public and private funding to facilitate innovation within these sectors.

As a complement to the Innovation Union, the Commission also adopted a Communication on the Regional Policy contributing to smart growth in Europe 2020. The aim of this Communication is to make all relevant authorities more aware of the changing nature of innovation and the new opportunities to stimulate innovation at regional level, including through greater support for creative and cultural activities. The Communication emphasises that *"the capacity of the EU to recover from the crisis and meet longer-term challenges rests not only on a strong industrial base but on the creativity and skills of people, governance and strong social values – solidarity, respect for the environment, openness and cultural diversity. [...] Cultural and creative industries, which flourish at the local and regional level, are in a strategic position to link creativity and innovation."* Therefore, CCIs should be duly considered in designing and implementing the smart specialisation strategies foreseen in this Communication.

Last but not least, CCIs will be a priority aspect of the Council Work Plan for Culture 2011-2014. In this framework, Member States will reinforce their cooperation on the following topics: 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; CCI export and internationalisation support strategies; financial engineering for SMEs in the cultural and creative sector. Cooperation will also be reinforced on the promotion of creative partnerships between culture and sectors such as education and training, business, research and the public sector, on artists' residencies as well as on mobility support programmes and schemes. As part of the implementation of its European Agenda for Culture, the Commission will also explore the possibilities for establishing culture sector skills councils at EU level with a view to analysing likely developments on the sectoral labour market.

## **ANNEX 1: Green Paper questionnaire**

### **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 CCIs? 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?

*Better matching the skills needs of cultural and other creative industries*

- 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?

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

*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)?

### **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?

*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?

*Cultural exchanges and international trade*

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

### **TOWARDS A CREATIVE ECONOMY: THE SPILL-OVERS 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?

## **ANNEX 2: List of respondents to the consultation**

The list can be found on the webpage indicated below. The contributions are classified by type of author in the following four categories: Public authorities; Organisations active at European or national level; Other organisations; Individuals.

[http://ec.europa.eu/culture/our-policy-development/doc2577\\_en.htm](http://ec.europa.eu/culture/our-policy-development/doc2577_en.htm)