



# Study on the Contribution of Culture to Local and Regional Development - Evidence from the Structural Funds

## Case Studies Part 1

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*Centre for*  
**Strategy & Evaluation  
Services**



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## Case II.A1 : The Operational Programmes for Culture of Greece and Portugal

Greece and Portugal are the only EU Member States to have developed dedicated Operational Programmes (OPs) within their Community Support Framework specifically focused on the cultural sector. Both OPs were implemented in the 2000 – 2006 programming period. Given the scale of the investment, there are wider lessons to be learned from the experience in both countries, particularly relating to follow-up of infrastructure investment and exploitation over the longer term. The different experiences of the two countries are outlined below.

### *The Operational Programme for Culture of Greece*

#### 1. Title and country

The Operational Programme (OP) for Culture of Greece

#### 2. Main reason for highlighting this case

Greece was one of the two EU Member States that developed a dedicated OP within their Community Support Framework (CSF) specifically focused on the cultural sector. Greece has a significant tourism sector.

#### Summary

<i>Country</i>	Greece
<i>Project</i>	Operational Programme for Culture
<i>Partners</i>	n/a
<i>Programming period</i>	2000 – 2006
<i>Sectors covered</i>	Museums and archaeological sites, performance and conference venues, creative industries
<i>Cultural activity</i>	Heritage, contemporary arts, creative industries
<i>Financial instrument</i>	ERDF – Objective 1 Culture Operational Programme
<i>Objectives of project/programme</i>	Protecting and promoting cultural heritage Development of contemporary culture Strengthening culture as a driver of development and employment Creating more balanced cultural facilities across regions
<i>Budget</i>	€647.8m under Culture OP; €393m under regional OPs and Community Initiatives; €95.5m under the culture section of the Information Society OP. Programme duration 2000-2006

<i>Principal impacts</i>	<p>New and renovated attractions</p> <p>An increase of 25% in visitor numbers to museums and archaeological sites.</p> <p>3,000 jobs created in the construction sector</p> <p>Balanced tourism provision</p> <p>Substantial digitisation and IT developments</p>
<i>Keywords</i>	<p>Operational Programme, knowledge-based economy, infrastructure, museums, archaeological sites, tourism, contemporary arts, digital resources,</p>

### 3. Main features of the project/programme

All of Greece was designated an Objective 1 area in the programming period 2000 – 2006. €647.8m was spent under the Culture OP in Greece with a further €393m under regional OPs and Community Initiatives and €95.5m under the culture section of the Information Society OP.

A large part of this expenditure was on new and restored infrastructure – museums, archaeological sites and monuments, and facilities for contemporary culture. The intention was to upgrade major cultural assets and create a more balanced range of facilities across the regions, while also supporting the development of digital content and access as part of the promotion of the Information Society.

### 4. Nature of cultural activity

New and restored infrastructure – museums, archaeological sites and monuments, and facilities for contemporary culture.

### 5. Main achievements

#### *Introduction*

In Greece, only 0.58% of the ordinary public budget was allocated to culture through the Ministry of Culture (€294.9m for 2006, not including sports funding). Further support is given to culture-related activities through the public investment programme, and also through the lottery scheme operated by the state-owned Greek Organisation of Football Prognostics SA. However, in the early part of the decade, there was clearly a case for some additional investment in the cultural infrastructure that supported a tourism industry of considerable importance to the national economy.

#### *The Greek Operational Programme*

The Community Support Framework (CSF) for Greece had an overall budget of €21 billion and, together with contributions from the Community Initiatives and rural development, the total allocated for structural assistance by the EU amounted to € 25 billion.

Of the seven priorities for the Greek CSF, culture – both preserving cultural heritage and promoting the development of modern culture – fell under priorities 'quality of life' and 'Information Society', while under 'competitiveness' there was the objective of putting tourism on a normal business footing.

The focus of the culture OP was direct investment in three areas: museums; archaeological sites and monuments; and contemporary culture. This was structured as follows:

In addition, the development of an information society has been seen as a key factor in enhancing business competitiveness and public sector efficiency over a long period and the role of culture as a source of content and as a focus for the development of IT skills has been part of this conception from the early days. Support was therefore provided for a range of digitisation, collection management web services and interactive media in the cultural sector.

Finally, culture-based projects also featured in a number of the regional Operational Programmes and Community Initiatives.

#### *Investment in culture*

59 museums, 73 archeological sites and monuments and 40 contemporary culture projects were directly supported under the Culture OP. There were also many technical assistance projects. The projects involved new premises and new exhibitions for major national museums and a range of regional museums; facilities for archaeological sites with high numbers of visitors or in areas that are difficult to reach; a number of multi-purpose cultural centres; events such as book fairs and festivals.

There was additional support from regional OPs and INTERREG III and the culture section of the Information Society OP; 200 projects were supported under the Information Society OP.

Major objectives for the Culture OP as a whole were to create a better balance in the regional distribution of cultural sites generally and to upgrade the capacity of cultural institutions. The intention was that cultural institutions would move away from being primarily repositories of cultural objects to become centres for the active use of cultural resources for a range of purposes. New or refurbished cultural centres might also serve as convention centres as well as venues for artistic performances, for example.

#### *Assessing the impact*

In terms of the macroeconomic impact of the CSF in Greece as a whole, the mid-term evaluation shows a growth in real GDP of 1.9% during 2000 – 2003 with an estimated further growth of 3.7% in 2004 – 2006, and 3.5% in 2007 –2008. The impact on employment during 2001 – 2008 is estimated at approximately 2% over and above the natural growth rate. Finally, the impact on private investment is estimated at an increase of 10.2% for the same period.

The cultural OP was expected to generate about 3,000 – 5,000 new cultural management jobs directly, in order to service the new and upgraded infrastructure funded by the

programme. Of these, two-thirds were expected in the cultural heritage area and one-third in contemporary culture, performing arts and congress facilities. The Interim Evaluation Report of the Culture OP reports that by 2003 nearly 3,000 jobs had been created in the course of the construction work, but does not provide information on later periods. A severe drop in international tourism in 2000 – 2002 because of terrorism, and tight fiscal policies that aimed to reduce employment by the state and local government, may have resulted in a smaller impact on job creation in the cultural sector than anticipated.

There were significant increases in facilities for museums, archaeological sites and cultural facilities – an increase of 80.000 m<sup>2</sup> in the surface area available for museums, for instance, and 41,000 m<sup>2</sup> for cultural facilities. It is also claimed that there was an increase of 25% in visitor numbers to museums and archaeological sites.

The Interim Evaluation reports that most targets were on the way to being achieved or exceeded. Nationally the programme has been seen as having significantly improved facilities and created the basis for a more balanced development. The Secretary-General of the Culture Ministry, Theodoros Dravillas, referred to the programme as ‘literally redrafting the country’s tourism map’.

There is no dedicated Culture OP in the 2007 – 2013 programming period, but the Information Society Operational Programme (OPIS) does have Education and Culture as its first action line. The context for this is a shift in emphasis in Cohesion policy away from infrastructure development towards the promotion of competitiveness which is followed through into a new conception of culture in digital form as a competitive advantage for Greece.

## **6. Nature and extent of support**

Over the programming period, €647.8m was spent under the Culture OP with a further €393m under regional OPs and Community Initiatives and €95.5m under the culture section of the Information Society OP.

## **7. Source of additional information**

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[http://www.hellaskps.gr/en\\_2000-2006.htm](http://www.hellaskps.gr/en_2000-2006.htm)

## ***The Operational Programme for Culture of Portugal***

### **1. Title and country**

The Operational Programme (OP) for Culture of Portugal

### **2. Main reason for highlighting this case**

Portugal was the other Member State to develop a dedicated OP within its Community Support Framework specifically focused on the cultural sector. It too has a significant tourism sector. The experience in Portugal has important lessons for the future in terms of following up significant infrastructure investment, longer term exploitation of the country's cultural resources and the capacity of the cultural sector to see through an ambitious cultural programme.

### **Summary**

<i>Country</i>	Portugal
<i>Project</i>	Operational Programme for Culture
<i>Partners</i>	n/a
<i>Programming period</i>	2000 – 2006
<i>Sectors covered</i>	Museums and archaeological sites, performance and conference venues
<i>Cultural activity</i>	Heritage, contemporary arts
<i>Financial instrument</i>	ERDF – Objective 1 Culture Operational Programme
<i>Objectives of project/programme</i>	Protecting and promoting cultural heritage Development of contemporary culture Strengthening culture as a driver of development and employment Developing knowledge-based economy, with an emphasis on access and participation
<i>Budget</i>	€628.4m Culture OP Programme duration 2000-2006
<i>Principal impacts</i>	New and renovated attractions; Increased visitor numbers Jobs created Balanced tourism provision Digitisation and IT developments
<i>Keywords</i>	Museums, archaeological sites, tourism, contemporary arts, digital resources, Operational Programme, knowledge-based economy, infrastructure

### **3. Main features of the project/programme**

All areas in Portugal except the Lisbon area and the Tagus Valley were designated Objective 1 areas in the programming period 2000 – 2006. Lisbon and the Tagus Valley was designated a transitional area.

The budget for the Portuguese Culture OP was €628.4m. Much of this was spent on new and restored infrastructure – museums, archaeological sites and monuments, and facilities for contemporary culture.

In Portugal, the aims were quite ambitious in that investment in culture was seen as a significant element in a strategy for the development of a knowledge economy and there was a clear element in the programme that was concerned with developing access and participation.

### **4. Nature of cultural activity**

New and restored infrastructure – museums, archaeological sites and monuments and facilities for contemporary culture.

### **5. Main achievements**

#### *Introduction*

As in Greece, Portugal had previously spent a relatively low proportion of its national budget on culture, despite its significant tourism sector. And, like Greece, its OP aimed to increase employment in the cultural sector directly. In Portugal, though, there was an early perception that investment in culture is a significant element in a broader strategy for the development of a knowledge economy.

#### *The Portuguese Operational Programme*

The Culture OP for Portugal apparently had a more strategic focus than the Greek OP in that it was based on a drive for competitiveness and a perceived need to promote industrial restructuring. There was also an appreciation that culture and creativity were emerging as drivers of growth, employment and attractiveness and were of relevance as content in the developing ICT and other sectors. The political and social dimensions of culture, such as its role in the strengthening of citizenship, supporting integration and social cohesion and improving the quality of life, were also regarded as of considerable significance in a development context.

The strategy focused on two main areas:

- Area 1: Strengthening culture as a driver of development and employment;
- Area 2: Promoting greater spatial balance in access to culture.

Area 1 had a strategic objective of enhancing historical and cultural heritage and specific measures involving the restoration and revitalisation of historical and cultural sites and a programme for modernising the country's museums.

Area 2 had a strategic objective of increasing access to cultural goods and specific measures to set up a network of cultural centres, decentralise the arts and network programmes, foster folk culture and provide technical assistance.

Financial reprogramming was approved in 2003. 70% of the new budget of €628.4m went to Area 1, with the remaining amount dedicated to promoting access.

### *Assessing the impact*

The goal was to create 5,000 jobs under the Culture OP by 2006 and to achieve a lasting shift in the country's ability to exploit its cultural resources. The OP certainly succeeded in achieving a notable increase in the number of museums, cultural facilities, art galleries and restored monuments, together with a considerable increase in exhibitions, performances and other cultural events. Public take-up of the new facilities was modest, however. The revised Mid-term Evaluation Report noted positive impacts on the promotion of regional tourism flows, on territorial competitiveness and the 'clustering' of cultural activities and, over the longer term, on lasting employment and on economic and social cohesion. However, there was relatively little impact on the production of tradeable goods or on the creation of an information and knowledge society. The focus on the delivery of the programme through (an unprepared) public sector, the poor quality of many of the proposals received and the unbalanced distribution of projects throughout the country led the evaluation to characterise Portugal as 'lacking in cultural sector maturity'. The identification of this capacity deficit as a reason for the failure of the OP to achieve some of its more ambitious objectives is of much wider significance.

There was no dedicated Culture OP in Portugal in the 2007 – 2013 programming period. Portuguese Cohesion Policy in general was concentrated on a smaller number of programmes and reoriented to achieve more growth, competitiveness and employment.

## **6. Nature and extent of support**

The budget for the Portuguese Culture OP was €628.4m. 70% went to Area 1, with the remaining amount dedicated to promoting access.

## **7. Source of additional information**

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## **Conclusion**

Both Greece and Portugal achieved substantial gains in the form of a revitalised cultural infrastructure and impacts on direct employment in the cultural sector as a result of dedicated Culture OPs during the 2000 – 2006 programming period

The heavy emphasis on infrastructure in the form of construction and rehabilitation of museums, archaeological sites and contemporary cultural facilities, is out of tune with more recent ideas of a balanced contribution of culture-based projects to economic and social development. However, as well as reflecting the Structural Fund guidelines of the time, it can be argued that the OPs of the two countries correctly addressed particular national circumstances, including the relative importance of tourism to the national economies.

Evidence of the use of the infrastructure to generate further developments in the creative economy is relatively scarce in both countries. It is of interest that the slightly more ambitious programme, in terms of current perceptions, that was implemented in Portugal ran ahead of itself in some respects and encountered problems arising from the capacity of the cultural sector to deliver on a more ambitious scale.

## Case II.A2: Zollverein, Essen



### 1. Title and country

Zollverein, Germany

### 2. Main reason for highlighting this case

The Ruhr area – ‘Ruhrgebiet’ – is the third largest conurbation in Europe after the Greater London and Paris regions. Zollverein is a large former coal mine and coking site plant and its transformation is a classic example of how an industrial heritage can be used to develop sustainable contemporary cultural activity and to stimulate design, architecture and a broader range of creative sector activities.

The Zollverein site is a major factor in the transformation of the Ruhr conurbation into the Ruhr metropolis, celebrated this year as Essen for the Ruhr is European Capital of Culture.

### Summary

<i>Country</i>	Germany
<i>Project</i>	Zollverein, Essen
<i>Partners</i>	City of Essen, North Rhine-Westphalia
<i>Programming period</i>	2000 – 2006
<i>Sectors covered</i>	Museums and visitor attractions, design, architecture, festival venues
<i>Cultural activity</i>	Industrial heritage, performing arts
<i>Financial instrument</i>	ERDF,
<i>Objectives of project/programme</i>	Financing existing and new businesses Innovation and development of skills Development of innovation infrastructures Promoting target groups
<i>Budget</i>	Investment from all sources €156.7m  Project duration 2001–mid 2008  NRW Objective 2 Programme €61m (€30.6m ERDF)
<i>Principal impacts</i>	New and renovated attractions Large visitor numbers 170 enterprises and 1,000 jobs created Dynamic impacts
<i>Keywords</i>	Industrial heritage, design, architecture, museums, tourism, festival venue, performing arts, business park, business incubator, creative industries

### 3. Main features of the project/programme

The Ruhr's industrial past has shaped the physical landscape, economic structure and social make-up of the area.

The Zollverein complex is a UNESCO World Heritage Site. Its imaginative rehabilitation has continued for over a decade with many contributors.

The North Rhine-Westphalia (NRW) Objective 2 Programme for 2000 – 2006 made critical contributions to the development of the Zollverein complex. Support for both physical and organisational infrastructure saw projects that strengthened the site as a visitor attraction; created a training academy for management and design; established a quinquennial World Design Forum; and created a business park with incubation facilities focused on design.

170 enterprises and around 1,000 new jobs have been created. About 70% of Zollverein companies belong to the creative sector. Growth in the number of creative companies in the region since 2006 is 14% – twice that of other industry.

The Structural Funds intervention supported projects which contributed in their own right, but which also made dynamic contributions to the development of Zollverein and the general Ruhr Metropolis.

### 4. Nature of cultural activity

Industrial and architectural heritage; design and architecture.

### 5. Main achievements

The Ruhr area has 5.3 million residents, but differs from the Paris and Greater London conurbations in that it is made up of 53 towns and cities with no single city centre. Heavy industry, coal, steel and manufacturing have left a huge legacy in terms of its physical landscape, its economic structure and its social make-up. The Zollverein complex – once the world's largest coal mine – has been a feature of the physical and social landscape for many years and, for many, the pithead winding house structure at Nordsted is a symbol of the whole Ruhr area.

Although there were developments at the site in the first part of the 20<sup>th</sup> century – Shaft XII



started operations in 1932 –the last coal mine shift was in 1986 and the coking plant closed in 1993. For a while, it looked as if all the structures on the site would be demolished, but plans were laid for its transformation with the establishment of the Zollverein Foundation in 1998 and the designation of Zollverein as UNESCO World Heritage Site in 2001.

From an early stage multiple uses were envisaged for the site's facilities: a modern museum, visitor and exhibition facilities, spectacular stage performances, international festivals and other events, alongside the encouragement of business activity, especially in design and architecture, drawing on the Bauhaus architectural heritage of the site. The larger vision for the site was as a focal point for transforming the conurbation into the Ruhr Metropolis.

### *Implementation of the project*

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Thomas Willemsen / Bilddatenbank Zollverein

By the late 1990s the Ruhr area was suffering from a lack of growth and jobs. There was insufficient investment, low competitiveness resulting from a below-average growth in productivity and lower than average growth in per capita income. Unemployment was relatively high (15%) and self-employment and business start-up rates were relatively low. Large parts of the area were designated as Objective 2 under the Structural Funds for the 2000 – 06 programming period.



Thomas Willemsen / Bilddatenbank Zollverein

The Ruhr area suffered not so much from an unskilled workforce as from a mismatch of skills. Most workers were qualified for jobs in traditional industries, but fewer in new service and telecommunication sectors. And while there was a good technological infrastructure, investment in research and development was less than in similar firms at a national level, with difficulty in attracting university graduates.



Thomas Willemsen / Bilddatenbank Zollverein

Priorities for NRW Objective 2 Programme were therefore focused on innovation and the development of skills, the development of innovation infrastructures and the financing of existing and new businesses. Significant support within this framework was provided for developments at the Zollverein site.

Projects included fitting out the former coal washing plant as the Ruhr Museum, to strengthen the site as a visitor attraction; the creation of a training academy – the Zollverein School of Management and Design; establishing a World Design Forum to take place every five years, to showcase the work of design firms and students from the Ruhr; and a business park with incubation facilities concentrating on design.

#### *Assessing the impact*

Zollverein is a large site (100 hectares) on which around 120 of the 253 historical buildings have been redesigned and reused but there is also further potential. Occupancy of renovated buildings is high and 100% of those available for rent are taken up.

170 enterprises have been created with approximately 1,000 new jobs, mostly in services. Around 70% of Zollverein companies are in the creative sector and represent a wide range of creative industries from design and architecture to advertising, media, film, publishing, software, music and the performing arts.



Matthias Duschner / Stiftung Zollverein

In the region as a whole, annual turnover of the 23,000 companies in the creative economy is now around €8 billion. With 14% growth in the number of companies since 2006, the creative industry is now of major economic and cultural significance for the Ruhr Metropolis.

This success will be celebrated during 2010 when Essen for the Ruhr will be European Capital of Culture, with the slogan '*Change through Culture – Culture through Change*'. Zollverein is the site for the local launch and one of the main centres for activities. The programme is challenging traditional notions of culture and, for the first time, the creative industry one is of the main themes of this Capital of Culture. A key element is the Creative Quarters project,

which will make use of vacant properties and brownfield sites in ten towns across the Ruhr region for the benefit of artists and creative individuals. One of the aims is to encourage an inflow of foreign artists and to persuade domestic university graduates and school students to remain in the region.

### *Conclusions*

Zollverein is a classic case of the use of industrial heritage to transform the physical and conceptual landscape in a large conurbation by a judicious blending of cultural, creative and commercial elements. This transformation began with ambitious plans, innovative building design and experimentation and has delivered a growing sense of confidence and self-awareness along the way.

Projects supported by the Structural Funds made a significant contribution to broader developments. There was a balanced contribution in terms of skills development and marketing alongside provisions for key infrastructural elements. They added to the momentum being created by a series of inter-related activities.

These developments will be reinforced in the programme for 2010 Capital of Culture.

## **6. Nature and extent of support**

The NRW Objective 2 Programme provided €61m, of which € 30.6m was in European support. Investment in Zollverein from all sources over the period from 2001 to mid 2008 was €156.7m.

## **7. Source of additional information**

<http://www.zollverein.de/>

Information on Structural Fund projects:

<http://www.ziel2-2000->

[2006.nrw.de/docs/website/de/ergebnisse/referenzprojekte/Zeche\\_Zollverein.pdf](http://www.ziel2-2000-2006.nrw.de/docs/website/de/ergebnisse/referenzprojekte/Zeche_Zollverein.pdf)



Thomas Willemsen / Bilddatenbank Zollverein

## Case II.A3: Musikpark Mannheim



### 1. Title and country

Musikpark Mannheim, Germany

### 2. Main reason for highlighting this case

Investment in heritage is often seen as a means of transforming the image of an area but investment in contemporary arts can also achieve this, and make other contributions to economic and social development.

Musikpark Mannheim is a successful business incubator which focuses on music and dance and supports the development of a range of related creative businesses. It serves as a beacon for the district of Jungbusch in Mannheim, where it has played a part in the redevelopment of the whole area, directly creating 60 enterprises and 240 jobs, with a turnover of about €20m.

### Summary

<i>Country</i>	Germany
<i>Project</i>	Musikpark Mannheim
<i>Partners</i>	City of Mannheim, State of Baden-Württemberg
<i>Programming period</i>	2000 – 2006
<i>Sectors covered</i>	Music, creative industries
<i>Cultural activity</i>	Music and dance
<i>Financial instrument</i>	ERDF – Objective 2
<i>Objectives of project/programme</i>	Developing economic infrastructure Promoting small and medium-sized enterprises Restructuring inner-city problem areas
<i>Budget</i>	€65m Project duration 2004 – 2009
<i>Principal impacts</i>	240 jobs created 60 music-orientated enterprises created, with a total annual turnover of €20m
<i>Keywords</i>	Music, dance, business incubator, urban regeneration

### 3. Main features of the project/programme

Musikpark Mannheim was first German business incubator devoted to the music industry. It was created as part of a response to the problems a former manufacturing (Objective 2) area of Mannheim and has played significant role in transforming the district, well as adding to the cultural and social life of city and broader region.



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With cultural and business facilities, the incubator can address both the creative and business needs of its enterprises. It provides technical facilities; a range of business support services and access to other support; assistance for people directly involved in music and dance and for related creative businesses; advice for start-ups and SMEs; access to training/education for the creative sector; and space to rent.

### 4. Nature of cultural activity

Music, dance and related activities.

### 5. Main achievements

Musikpark Mannheim is in the Jungbusch district of Mannheim, in Baden-Württemberg, within the European Metropole Rhein-Neckar Region.

The Baden-Württemberg Objective 2 Programme support was for an old industrial area with bordering housing estates (47,834 inhabitants) covering the centre and the northern part of the city of Mannheim. It was characterised by high unemployment, a lack of job opportunities, decreasing skills capacity, poor infrastructure, empty industrial properties and environmental neglect, with growing crime and social exclusion. Most people in the area had been employed in the manufacturing sector, but in the 1990s the number of jobs in Mannheim fell by 10%, with up to 25% unemployment in certain areas. Women made up only a small portion of the workforce and 12% of the population depended on public assistance.

The three objectives of the Baden-Württemberg Objective 2 Programme were to develop economic infrastructure; promote small and medium-sized enterprises; and restructure inner city problem areas.

The Musikpark initiative (2004–2009) responded to all of the objectives of the Baden-Württemberg Objective 2 Programme. Project partners were the state of Baden-Württemberg and the city of Mannheim, and the Musikpark was set up as a limited company owned by the city.



The building of the Musikpark was itself a significant intervention in the Jungbusch district and the striking building, (4,300 m<sup>2</sup>), became a beacon of the change underway, dramatically reversing the previous

pattern of decline and dereliction in the area.

The incubator facilities and services aimed to help start-up performance groups and SMEs in the music sector to take their first step on the business ladder. Musikpark was new in combining cultural with business facilities and in applying the incubator concept to the needs of the creative sector, providing:

- Technical facilities: sound studios, a TV studio, a performance room and a workshop, plus stylish meeting rooms for business negotiations and planning.
- Business support services, including an internet portal, accounting and administrative support, access to other business support agencies and other professional services.
- Assistance to Individuals and groups directly involved in music and dance and to related businesses: music production and distribution, publishers, agents, graphic design, photography, ticketing, management consultancy, IT and web publishing.
- Advice for start-ups and enterprises about business formalities and processes (accessing a seed-fund package and general business administration) and about the music sector, business strategy and the importance of networking.
- A competence centre for the creative sector, providing training directly and through co-operation with higher education institutions.

Musikpark is deeply embedded in the business and social networks of the city and region. Through co-operation with promoters and the Pop Academy Baden-Württemberg and through contacts and the promotion of Musikpark enterprises, the initiative brought in an estimated €300,000 of work in 2008.

#### *Assessing the impact*

The Musikpark has been effective in directly promoting small and medium-sized enterprises. Incubator space was fully rented out from the start and expanded by about 1,500 m<sup>2</sup> in

2008. Sixty music-orientated enterprises and 240 jobs have been created from areas related to the music and dance industry. The annual turnover of enterprises in the Musikpark is around €20m.

The project has also contributed substantially to objectives one (economic infrastructure) and three (inner city areas) of the Objective 2 Programme. It has played a major part in transforming the district, bringing a new confidence to the area and developing a creative and entrepreneurial ethos in a former area of medium- and large-scale manufacturing. Beyond that it has contributed to the social and cultural life of Mannheim and the development of the creative sector across the region.

### *Conclusions*

The Musikpark is an example of effective local and regional development, directly addressing the objectives of the regional Operational Programme through a focus on music and dance.

The project's direct effect is seen in the number of new businesses, jobs created and sales achieved. It has had a wider effect in changing the fortunes of a depressed area of Mannheim, showing that even modest physical developments can impact on the image and direction of an area. An innovative business incubator, combining support for a specific art form with related business facilities and advice, can provide an effective channel both for enterprises renting premises and for the wider business community. The Musikpark is also contributing to wider social and cultural development and the quality of life of Mannheim and its region.

## **6. Nature and extent of support**

The cost of building the Musikpark facilities was € 65 Million.

## **7. Source of additional information**

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## Case II.A4: Development of Strategy – Culture & Urban Regeneration

### 1. Title and country

Culture & Urban Regeneration, EU and France (a pan-European URBACT network co-ordinated by Lille Métropole)



### 2. Main reason for highlighting this case

Various Structural Funds initiatives have sought to promote a more strategic approach to local and regional development issues, through the identification and exchange of best practice and studies providing strategic analysis. Some have focused on culture and the creative sector.

Part of the purpose of the URBAN Community Initiatives in the 2000 – 06 programming period was to provide a clear Community dimension to local initiatives supported by the Structural Funds, by promoting networking between regions and cities and facilitating the comparison and exchange of experience.

This URBACT project focused on the role of cultural activities and creative industries in the regeneration of 16 European cities. It generated a valuable analysis of an integrated approach to urban (re)development and identified crucial elements for an effective culture-based local development strategy.



### Summary

<i>Country</i>	EU, France
<i>Project</i>	Culture & Urban Regeneration
<i>Partners</i>	Lille Métropole (lead partner), 16 European cities belonging to 12 member states : Amsterdam (The Netherlands), Bari (Italy), Birmingham (United Kingdom), Brno (Czech Republic), Budapest (Hungary), Donostia – San Sebastian (Spain), Evosmos–Thessaloniki (Greece), Gijon (Spain), Helsinki (Finland), Katowice (Poland), Manchester (United Kingdom), Maribor (Slovenia), Naples (Italy), Velenje (Slovenia) and Vilnius (Lithuania).
<i>Programming period</i>	2000 – 2006
<i>Sectors covered</i>	Culture and creative sectors

<i>Cultural activity</i>	Urban heritage, contemporary arts
<i>Financial instrument</i>	URBAN Community Initiative
<i>Objectives of project/programme</i>	To illustrate the importance of culture in regeneration policies and projects by compiling case studies and by sharing the knowledge and experiences of the partner cities; to study, describe and diffuse transferable models and approaches. To draw conclusions and recommendations that are to be widely disseminated.
<i>Budget</i>	€250,000 Project duration 2007 – 2010
<i>Principal impacts</i>	80 case studies 4 analytical studies Clear statements of strategy Policy at a local level
<i>Keywords</i>	Culture-based strategy, urban regeneration, industrial heritage, creative industries

### 3. Main features of the project/programme

The URBACT Programme was launched under the URBAN Community Initiative in 2002. The Culture & Urban Regeneration project was a pan-European URBACT network co-ordinated by Lille Métropole involving 16 European cities.

The project examined cases of good practice and commissioned expert studies on three dimensions of city development and a separate study on developing an integrated approach. Lille Métropole, the network co-ordinator, also brought its own experience to the project.

The studies set out in detail the case for culture-based development. The cultural dimension was shown to be crucial to effective urban regeneration initiatives and competitive cities. It makes a direct contribution to wealth and the creation of high quality jobs and drives innovation in the broader economy.

An integrated approach was central to many of the emerging recommendations.

### 4. Nature of cultural activity

A wide range of cultural activities were brought together under this project.

### 5. Main achievements

URBACT is a European exchange and learning programme, set up in 2002 to provide a framework for cities to work together to 'find and share innovative, sustainable and integrated solutions to major urban challenges'. URBACT followed the European URBAN programme, which stressed the importance of developing an integrated and participative approach to urban renewal in deprived neighbourhoods. This theme of developing integrated approaches and perspectives was now increasingly apparent in broader areas of urban policy and 28 URBACT projects were supported in the 2003 – 2006 period, including

this Culture & Urban Regeneration project. Other projects examined issues such as spatial planning, security in an urban environment, urban regeneration, deprived areas and the inclusion of young people and other groups.

### *Culture & Urban Regeneration*

This project aimed to examine the role of cultural activities and creative industries in the regeneration of European cities by bringing together and comparing the experience of 16 cities of differing sizes from across Europe (listed in the summary). The project examined 80 cases of good practice and commissioned four separate studies from established figures in their fields covering the physical dimension, the social dimension, the economic perspective and an integrated approach to city (re)development.

Lille Métropole brought its own experience to the project, as a city that has experienced adjustment problems in moving on from its industrial past. This process has been helped by Lille's rediscovery of its heritage and a growing appreciation of its place within a more extensive trans-border region. Its year as European Capital of Culture in 2004 helped the city to exploit its heritage along with the development of contemporary arts and creative activity. This helped to build confidence and project a new image for the city. Some of the projects shaping Lille Métropole's redevelopment have contributed to the analysis of the Culture & Urban Regeneration project. These include the restoration of an art deco swimming pool in Roubaix and its development into an art and industrial museum, and a project to convert la Condition Publique – a former store for silk and wool – into a new cultural facility (Maison Folie). Both projects were supported by the Structural Funds. Participation in the Maison Folie project was encouraged by creating a central space for consultation, open to anyone with an interest in the project.

### *The analysis*

On the basis of the commissioned studies, seminars, study visits and best practice cases, the initiative produced a comprehensive analysis of the main themes in the interaction between culture and urban regeneration, which identified the most important factors in an integrated strategy for urban development.

The analysis noted that the policy initiative in these areas was often at the local and regional level, with limited recognition (with exceptions) at national government and European level. Even so, some of Europe's major cities (including partners in the project) had understood the significance of their cultural assets, and the creative sector was a major factor in their current development. London had over half a million people working in creative industries: the sector's output was greater than the financial sector and second only to business services. The creative sector represented 7% of jobs in Amsterdam and 9% of the business turnover in Helsinki and was one of the fastest growing sectors in these cities.

The cultural dimension makes a direct contribution to wealth and the creation of high quality jobs, but also drives innovation in the broader economy, and so is essential for effective regeneration and competitive cities. It is closely linked to the quality of physical spaces and the public realm so contributing to the symbolic importance of the city centre

and this, together with its less physical attributes, helps shape the quality of life in a city and defines its identity and the image it projects to the outside world. It is the basis for attracting visitors, companies and creative talent. It is also a major element in social cohesiveness, promoting tolerance and mutual respect and providing a focus for communication and interaction between different communities that make up a city's population.

Culture is no longer perceived as the activity of an elite and the gap between 'high culture' and everyday life is closing. New forms of culture have been recognised and there is wider social participation, reflecting the principles of a participative democracy.

Built heritage renovation is a strong catalyst for the regeneration process, often providing the facilities for creative businesses, helping to develop life styles that are conducive to further development and adding to the competitive advantages of multicultural cities.

The analysis concluded that there is no one-size-fits-all strategic model for culture-based development and that cultural strategies have to be developed locally. However, it is possible to develop these strategies in a coherent way, based on an identification of local assets; a fruitful interaction with social, economic and environmental policies; and an appreciation that the indirect effects of cultural activities are more significant than the direct impacts, and interaction and integration are the key to overall success.

The project's recommendations included these:

- European cities require a new European renaissance, with cultural activities and the creative industries playing a central role in the wider development of an innovative, knowledge-based economy and the regeneration of disadvantaged neighbourhoods.
- There is a need for a clear and explicit recognition of this in strategic plans at all levels of public authorities.
- Cultural institutions need to become more sensitive to social issues and to cultural diversity.
- Effective development of urban culture requires greater collaboration between the city authority and different departments of the state administration.
- Municipal borders often no longer reflect modern social, economic and cultural relationships. Ministries for local/public administrations should foster inter-municipal cooperation to give political coherence to contemporary cities.

Thus in the period up to 2006, the reports of the Culture & Urban Regeneration project already expressed many of the key elements of a strategy for culture-based local development.

### *Assessing the impact*

The immediate effects of the Culture & Urban Regeneration project were on the participating cities. There is evidence that participants learned from the experience of other

colleagues and from the case studies, and these lessons have been built into the policies of the partner cities.

There was also an impact on the URBACT programme, initially on cities participating in parallel projects and on the wider urban development community addressed by the programme. It is noteworthy that URBACT II has Cultural Heritage & City Development as one of its eight areas of expertise and Innovation & Creativity as another. Under the Cultural Heritage & City Development theme, two projects are of particular interest. HERO – Heritage as Opportunity – follows up earlier work by examining sustainable management strategies for historic urban landscapes. REPAIR has the more specialised objective of promoting the potential of abandoned military sites as an integral part of sustainable urban community regeneration. Under the Innovation & Creativity heading, URBACT II has a project on creative clusters in low density urban areas that will be considered in another case study (A5).

So it appears that culture-based development is being reinforced at a local level but there continues to be a problem at national and European level. For example, the Regions for Economic Change initiative began in 2006, just before the start of the current programming period (2007 – 2013) of European cohesion policy programmes. It aimed to promote a more co-ordinated approach to promoting good practice and the support offered was structured to reflect the structuring of cohesion policy objectives. However, in spite of promising general objectives such as the reference to ‘Making Europe and its regions more attractive places to invest and work’, there is hardly any reference in the more detailed initial documentation to culture-based development and the importance of the creative sector.

### *Conclusions*

The reports of the Culture & Urban Regeneration project provide a clear statement of key elements in any strategy for culture-based local development. They point to the solid achievement of culture-based strategies and, at the same time, the need for an integrated approach, so that the sector can not only make a direct contribution to wealth and the creation of high quality jobs, but also drive innovation in the broader economy.

The failure of national and EU authorities to understand the role and significance of the sector inhibits development.

#### **7. Nature and extent of support**

Support under URBACT for an exchange of best practice.

#### **8. Source of additional information**

‘Culture & Urban Regeneration: The role of cultural activities & creative industries in the regeneration of European cities’ Reports – Conclusions & Recommendations :

[http://urbact.eu/fileadmin/general\\_library/ConclusionsUC-English.pdf](http://urbact.eu/fileadmin/general_library/ConclusionsUC-English.pdf)

## Case II.A5: Creative Clusters in Low Density Urban Areas

### 1. Title and country

Creative Clusters in Low Density Urban Areas, EU and Portugal

### 2. Main reason for highlighting this case

Previous discussions about strategy for culture-based development have tended to focus on urban development. The URBACT II Creative Clusters project explicitly examines extension of the culture-based approach to low density urban or intermediate areas and analyses operational factors in implementing such a strategy.



The project has important implications for assessing the territorial extent of a culture-based development strategy as well as the practical steps necessary for 'bottom-up' implementation of such a strategy.

### Summary

<i>Country</i>	Portugal and EU
<i>Project</i>	Creative Clusters in Low Density Urban Areas
<i>Partners</i>	URBACT II Managing Authority, Jyväskylä (Finland), Inteli (Portugal), Catanzaro (Italy), Viareggio (Italy), Hódmezovásárhely (Hungary), Enguera (Spain), Barnsley (UK), Mizil (Romania), Óbidos (Portugal), Reggio Emilia (Italia)
<i>Programming period</i>	2007 – 2013
<i>Sectors covered</i>	A wide range of creative industries
<i>Cultural activity</i>	Heritage, contemporary arts
<i>Financial instrument</i>	ERDF – URBACT II
<i>Objectives of project/programme</i>	SME and micro-business support Strategic investments and development Regional distinctiveness
<i>Budget</i>	€710,000 (75% by URBACT II)  Project duration November 2008 - May 2011
<i>Principal impacts</i>	Project still being implemented
<i>Keywords</i>	Culture-based strategy, low density urban areas, intermediate regions, creative towns

### 3. Main features of the project/programme

Creativity can act as a driving force for the economic development of small urban centres as well as big cities. Under the coordination of the Municipality of Óbidos (Portugal), this URBACT II partnership is developing 'creative cities' in Finland, Hungary, Italy, Romania, Spain and the UK.

Their approach challenges some of the conventional thinking on issues such as the urban-rural divide, the attractive power of major conurbations and the operational rules for promoting creative clusters. The initiative is elaborating the basis for establishing creative clusters in smaller urban or 'intermediate regions'.

Different exercises will focus on particular aspects of developing creative clusters in smaller urban environments: opportunities for young people, the organisation and role of cultural events/activities, the physical dimension (infrastructure, planning, etc.), financial and other support, and education and training requirements.



The town of Óbidos in Portugal (population 10,000) is highlighted as an example of a small town with an active creative strategy.

This project demonstrates that strategic deliberations have moved on from identifying the key elements in a generalised culture-based strategy to the operational requirements of adapting such a strategy to particular circumstances

### 4. Nature of cultural activity

Heritage, but also a range of contemporary arts and related creative activities.

### 5. Main achievements

#### *Introduction*

The Structural Funds have supported various initiatives to promote a more strategic approach to local and regional development, notably through identifying and exchanging best practice. In 2002 the Community Initiative URBAN launched the European exchange and learning programme URBACT which has assisted cities working on urban development issues. The URBACT project Culture & Urban Regeneration (case A4) provided a comprehensive analysis of how culture-based development could be driven forward in urban areas.

URBACT II has Cultural Heritage & City Development and Innovation & Creativity as two of its eight areas of expertise for the current programming period and the 'Creative Clusters in Low Density Urban Areas' projects falls under this second heading. It began in November 2008 and will continue until May 2011.

### *The nature of the project*

This project starts with the proposition that creativity can act as a driving force for the economic development of small urban centres as well as big cities.

In academic literature and in EU and national strategic documents, there is a tendency to see creative clusters as tied to urban situations and requiring a concentration of human, economic and institutional resources and a physical proximity between the active players. This overlooks the power of modern communication methods; the factors facilitating networking in less congested areas; and the flexibility of creative individuals and businesses. All these can extend the benefits of agglomeration over a wider area. With the right environment, and especially with appropriate support and encouragement, the dynamic required for effective creative clusters can be unleashed in smaller towns and semi-rural areas.

Creative people can be persuaded to settle in small and low density environments if these have natural, historical and cultural amenities, a good and healthy quality of life and the facilities and infrastructure for creative activity and conducting business. A clear ambition on the part of municipal authorities to promote the creative sector and to encourage innovation and creativity is an important bonus.

This is not to say that the development of creative clusters can happen anywhere – a critical mass is required as well as accessibility to wider networks and markets. Indeed, the accessibility or remoteness of an area is more relevant than an ‘urban’ or ‘rural’ designation. The low density urban areas that are the focus of this project correspond to the OECD ‘intermediate regions’ – areas outside urban conglomerations but which have transport and communication links to their regional centres so they function effectively. As there is a variety of possible relationships with the urban hub, a straightforward distinction between urban and rural environments is too simplistic.

The lessons of the ‘creative city’ model must be applied within this broader context. Creativity is a source of innovation and requires appropriate support. The project tries to reinforce and apply this message by promoting the attributes of a successful creative city in the target environment.

Within this overall approach the project will develop a series of different strands with exercises to analyse:

- creating opportunities for young people
- the organisation of events and cultural activities and their role as catalysts for a broader range of creative activities
- the physical dimension : the range of facilities and infrastructures required for promoting the creative city and the land-use planning strategy to be adopted

- the financial and advice support measures necessary for attracting and retaining talented people and creative entrepreneurs and businesses, and the appropriate packaging of these measures to meet these requirements and circumstances
- creative approaches to developing suitable education and training provision for the creative sector.

### *The initiative in Óbidos*

Óbidos is a town with distinguished cultural heritage, including some fine buildings and a walled centre, but only around 10,000 inhabitants. With leadership from the mayor and local government, an active strategy – Óbidos Creative Town – has been put in place to develop a creative sector across the municipality, both within the walled centre and beyond. At the heart of this strategy is the realisation that Óbidos has to make use of its cultural assets, location and skills base to determine its own future.

The strategy involves a vibrant cultural agenda covering the whole year. These are cultural events in their own right, involving entertainment and acting, music and cultural research. But they also serve as a focus for a more extensive promotional campaign, drawing attention to the town and directly stimulating creative content and multimedia production, graphic design, marketing and advertising. This is supported with a huge investment in tourist facilities and a golf resort.

Support for innovative developments is provided through initiatives including a technology park exclusively dedicated to creative industries, its incubator extension, and ABC – Basic Support for Creativity – located in a converted convent.

Property development is promoted, involving new types of housing, and the creation of business facilities and work spaces. There has also been investment in education and training facilities, with a particular focus on the needs of the creative sector. There is already an Art and Design School near Óbidos.

Óbidos has promoted networking with other creative groups, both nationally and internationally, and was responsible for launching a network of creative cities in Portugal.

The overall approach is characterised by the systematic building up of capacities at a local level. This was absent from the Operational Programme in the 2000 – 2006 programming period.

### *Assessing the impact*

The Creative Clusters project is still being developed but it is already clear that the focus of projects supporting strategic development has significantly evolved compared with the 2000 – 2006 programming period. Specifically, the contrast between this project and the Culture & Urban Regeneration project (case A4) shows how the focus has shifted from identifying key elements in a generalised culture-based strategy to the operational requirements of adapting such a strategy to particular circumstances – in this case examining how it is

possible to extend the model developed largely for urban conurbations to a more extensive area.

### *Conclusions*

The Creative Clusters in Low Density Urban Areas project supported under the URBACT II programme demonstrates an interesting extension of the 'creative city' concept to encompass intermediate areas that have or create communication and personal networks and the transport infrastructure to experience the cluster effects previously associated with urban environments.

It is possible to generate a critical mass and then a sufficient momentum in terms of the range of cultural and creative activities and the interactions between creative actors is over a wider area than previously supposed. The project is currently focusing on a number of practical elements to reinforce such a strategy.

The project has implications for assessing how wide the territorial application of a culture-based development strategy could be. It also provides insight into the practical steps that are necessary in 'bottom-up' implementation of such as strategy.

## **6. Nature and extent of support**

The value of the total project is €710,000. 75% is provided by URBACT II. The remainder is provided by the participating cities.

## **7. Source of additional information**

[www.urbact.eu](http://www.urbact.eu)

## Case II.A6: The impact of culture-based projects in Cornwall

### 1. Title and country

Counting on Creativity, UK

### 2. Main reason for highlighting this case

This study provides detailed information on the impacts of ERDF and ESF Objective 1 expenditure on employment, business growth and Gross Value Added in the sub-region of Cornwall in the UK. It provides clear evidence of the potential impact on economic development of culturally orientated creative sector projects.

The evidence from Cornwall also shows how a strategy can be developed for regions without significant urban conurbations.

### Summary

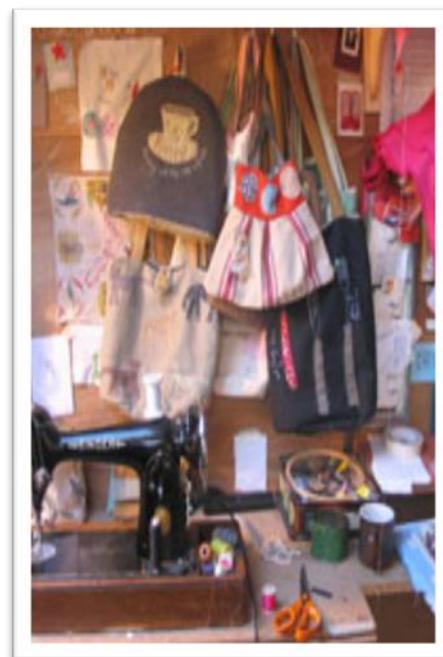
<i>Country</i>	UK
<i>Project</i>	Counting on Creativity
<i>Partners</i>	Cornwall Arts Centre Trust, Arts Council England, Cornwall Council, Creative Partnerships
<i>Programming period</i>	2000 – 2006
<i>Sectors covered</i>	Creative industries
<i>Cultural activity</i>	Visual arts, audio-visual
<i>Financial instrument</i>	ESF – Objective 1
<i>Objectives of project/programme</i>	SME and micro-business support Strategic investments and development Regional distinctiveness
<i>Budget</i>	€165,000 (49% from ESF) Project duration March – Dec 2006
<i>Principal impacts</i>	560 jobs created – 19% employment growth 29% growth in turnover of creative sector 34% growth in Gross Value Added
<i>Keywords</i>	Creative region, visual arts, audio-visual, creative industries

### 3. Main features of the project/programme

From March to December 2006 a study conducted under the management of the Cornwall Arts Centre Trust examined the impact of Objective 1 expenditure on the creative sector in Cornwall during the 2000 – 2006 period.

Evidence presented in the 'Counting on Creativity' report showed that :

- Almost £43m (€65m) was invested in the creative industries in Cornwall during the period.
- The £9.88m investment in business and skills support generated an estimated £104m extra income for the county.
- Between 2000 and 2004, creative sector employment grew by approximately 19% (compared with a national growth rate of 3% for the sector for the same period) and the number of creative industry businesses increased by 23%.
- Turnover in the sector grew by 29% between 2000 and 2004, while Gross Value Added (GVA) increased by 34%, compared with 7% nationally.



The increase in GVA, significantly greater than the increases in employment and number of businesses, indicates that there was a growth in real prosperity and productivity and significant increases in profitability.

### 4. Nature of cultural activity

Visual arts and audio-visual were the main focus, with some support for handicrafts.

Music and the performing arts failed to take advantage of the support available.

### 5. Main achievements

#### *Introduction*

The whole of Cornwall, together with the Isles of Scilly, was designated as an Objective 1 area in the 2000 – 06 programming period. The population is around half a million. Cornwall had suffered from slow industrial decline, particularly in the traditional fishing and mining industries. Tourism had failed to improve average income significantly.



At the beginning of the period, Cornwall already had some established advantages in the creative sector, with a good reputation for visual arts and craft activities and the background of a distinctive Celtic culture. Furthermore the UK Department of Culture, Media and Sport had from 1998 provided impetus for the sector, especially through high profile initiatives such as the Creative Industries Task Force. Nonetheless, the Single Programming Document for the Objective 1 Programme for Cornwall and the Isles of Scilly, published in 2000, made little mention of the creative sector, focusing attention on the following five priorities (redefined in 2005):

- *Priority 1: SME and micro-business support*
- *Priority 2: Strategic investments and development*
- *Priority 3: Developing people*
- *Priority 4: Community economic development and rural structural adjustment*
- *Priority 5: Regional distinctiveness.*

Each of these priorities had its own strategic objectives and a set of priority measures under which projects could be supported.

#### *Investment in the creative sector*

Despite the lack of recognition of the creative sector in the original Single Programming Document, the document did act as a stimulus to the creative community, especially after the establishment of the Cultural Industries Task Force.

The task force brought together a series of existing networks (some established by earlier Objective 5b funding) and gradually extended its reach across other, less co-ordinated cultural sectors. It encouraged a consistent approach to the development of the sector, ensured that projects met the strategic aims of the Single Programming Document and co-ordinated compliance with the strategies of other regional bodies and cultural agencies. In particular, it helped applicants to navigate their way through the formalities and to focus on delivering economic and social regeneration. The task force was particularly 'effective in reconciling the intellectual and emotional environment of the arts and creativity with the need to be business-like'.

Further important institutional developments included the establishment of Creative Kernow in 2003; this merged with the County Council Arts Office to form a new Creative Unit in 2006. As a result of all this activity, investment in the creative industries accounted for 12.8% of the total amount committed under Objective 1 by January 2007.

In total almost £43m (around €65m at the time) was invested in 58 creative industry projects in Cornwall and the Isles of Scilly in the 2000 – 2006 period. A large part of this (£33m) went into capital projects – mainly the University College Falmouth Campus at Tremough, which has a specific focus on the creative industries – but also on the development of exhibition space. A total of £9.88m was invested in 15 business and skills support programmes.

Thirty three creative sector projects received £41.96 million of funding via direct bidding routes. Excluding the major capital grant to the University College Falmouth, grants to the creative sector ranged from £5,000 to just over £12 million. Of these, 24 projects received grants from ERDF (worth £37.2 million – 18.1% of the total grants under the fund); 8 projects were supported under ESF (£4.7 m – 6.8% of the total grants under ESF) and 1 project under EAGGF (£63,800 – 0.12% of total).

There were 11 grants in total for capital developments, worth £31.4 million. Five of the grants were for feasibility studies worth nearly £400,000 and a further two supported one-off events, including festivals.

In terms of Objective 1 Programme priorities, there was a clear focus on regional distinctiveness and business development:

- 43% of the funds allocated under the regional distinctiveness priority (Priority 5) went to 16 creative industry projects.
- Smaller (but significant) proportions of funds allocated for SME and micro-business support and strategic investment and development went to creative industry projects (6.8% and 11% for Priorities 1 and 2, respectively, a total of 11 projects).



EAGGF funding available under this priority).

- Only 4 projects (1.7% of total available funding) were funded under the developing people priority (Priority 3), which was mainly funded by ESF.
- Only 1 project was funded under Priority 4 for promoting the adaptation and development of rural areas (0.09% of the mostly

The focus on regional distinctiveness and on business development was an important aspect of the success achieved by the sector.

### *Assessing the impact*

At the time of the study, the major capital investments had not had sufficient time to make a measurable impact on the sector, so the majority of the impact identified relates to the £9.88m invested in business support and skills development. Much of this was channelled through organisations such as Creative Skills, Multimedia Cornwall, Creative Kernow, Cornwall Film, Cornwall Arts Marketing, Creative Enterprise Cornwall and Unlocking Cornish Potential. Funding redistributed directly to individuals, enterprises and organisations provided varied forms of support from individual mentoring, business advice and travel bursaries to the placement of graduates in enterprises, seeding music sessions at the Eden

Project and launching a national marketing campaign. Fifteen creative businesses received financial support in the form of loans from Finance Cornwall, which itself received support under the Structural Funds.

Assessing the impacts posed a number of methodological problems. The first concerned sectoral definitions and it was decided to base the analysis on the DCMS Evidence Toolkit, published by the UK Department for Culture, Media and Sport, which was intended to promote a common framework for analysis of the creative sector.

There was also a problem with statistical coverage. Many creative sector businesses in the region fall below the VAT registration threshold and statistical surveys of businesses do not collect data on the self-employed and only from a sample of smaller businesses.. Nonetheless, detailed work with Annual Business Inquiry statistics and survey data collected directly from the businesses concerned show:

- an increase in the number of people working in the creative industries sector in Cornwall between 2000 and 2004 of approximately 560 (19%) to around 10,200, compared with a national growth rate of 3% for the sector for the same period. The cost of creating a job through the Objective 1 funding was £23,864 (in line with cost per job programme targets in the 2005 Programme Complement);
- an increase of 23% in the number of creative industry businesses over the same period – approximately 350 companies and between 2,400 and 2,500 individuals benefitted directly from the sector support programmes;
- an increase of 34% in Gross Value Added (according to Annual Business Inquiry statistics), compared with a national figure (DCMS estimates) of 7% for the same period;
- GVA generated per worker in the creative sector of around £28,540;
- a growth in turnover in the creative industries of 29%, from £326m to £421 million;
- twice as many female beneficiaries as male.

The fastest growing sub-sectors were audio-visual in terms of employment (approximately 33%) and visual arts in terms of Gross Value Added (approximately 60%).

The main reasons identified for increase in turnover included:

- networking
- marketing
- a more professional or commercial approach
- funding.

The study therefore provides significant evidence of direct economic impact at a relatively early stage after the injection of current expenditure, before the real effects of the capital expenditure had become apparent.

## Conclusions

Although 'Counting on Creativity' points to shortcomings and areas for future improvement, its main significance is the series of success factors that it highlights:

- the achievement of a clear economic impact in terms of employment, increases in turnover and in the number of businesses and an increase in Gross Value Added;
- the successful co-ordination of the relevant players across a largely rural and small town sub-region leading to the establishment of a 'creative region' – a coherent creative sector – out of previously disparate and isolated initiatives;
- the development of an effective communication channel that helped creative sector organisations to align their objectives with those of the Structural Funds and to find their way through the administrative requirements;
- the focus on business support, including marketing and finance, and the development of a strategy that included investment in exhibition space and in education and training facilities.

The fact that so much was achieved from a less than promising start was mainly due to the efforts of dedicated individuals and effective organisation. A clear strategy in the initial Single Programming Document may have taken the developments considerably further.

### 6. Nature and extent of support

Almost £43m (€65m) was invested in the creative industries in Cornwall in the 2000 – 2006 period, £33m in capital projects and £9.88m in business and skills support programmes.

The investment of £9.88m EU funds in business and skills support generated an estimated £104m extra income.



### 7. Source of additional information

'Counting on Creativity' report available at:

[http://perfect-moment.co.uk/wb/media/download\\_gallery/pm\\_cc\\_report\\_download.pdf](http://perfect-moment.co.uk/wb/media/download_gallery/pm_cc_report_download.pdf)

## Case II.A7: Revitalising Traditional Craft Culture

### 1. Title and country

Meisterstrasse Salzkammergut, Austria

### 2. Main reason for highlighting this case

This project, supported by Leader+, is about building on the strengths of a local traditional craft culture in order to overcome the disadvantages characteristic of craft production. The project promotes quality and organises effective marketing. It illustrates how culture can create and sustain value in the market place, by changing perceptions of the worth of the goods in question.

A highly effective marketing strategy was achieved based on the creation of master crafts networks in specific rural areas. The strategy included highlighting distinctive craft products as part of the tourist attractions of the region. The members of each network conform to quality standards defined on the basis of traditional skills. They then employ a common brand and common marketing material. This has given rise to significant economies of distribution. An integral part of this marketing has been the highlighting of the regional roots and identity of the network members.

This process has brought innovation to the business models of the networks' members and allowed their craft businesses to be put on a more sustainable basis. The success of the project is indicated by the extent to which it has been emulated throughout Austria.

It is clear that valued cultural traditions can have an economic value if they are used to determine standards and quality, project an appropriate image and serve as the basis for professional marketing. There is value to be derived from reinventing the craft brand.



## Summary

<i>Country</i>	Austria
<i>Project</i>	Meisterstrasse Salzkammergut (Revitalising Traditional Craft Culture)
<i>Partners</i>	Ministry of Economy Family and Youth, Directorate of Enterprise Policy, Kulturebe Salzkammergut LAG
<i>Programming period</i>	2000 – 2006
<i>Sectors covered</i>	Craft
<i>Cultural activity</i>	Local traditions and culture, skills heritage
<i>Financial instrument</i>	EAFEG – LEADER Community Initiative
<i>Objectives of project/programme</i>	Enhancing natural and cultural heritage Improving the quality of life Making the best use of natural and cultural resources

	Adding value to local products, in particular by facilitating access to markets for small production units via collective actions
<i>Budget</i>	€724,016 – 4.84% from EU funds – majority from elsewhere including € 1 350 per year from each of the members of the network
	Project duration 2002 – 2005
<i>Principal impacts</i>	Marketing profile of (largely) rural craft businesses Commercially self-sustaining networks Increased turnover of businesses (Unknown) employment effects Spin-off for the tourism sector
<i>Keywords</i>	Craft, craftsmen, marketing, quality branding

### 3. Main features of the project/programme

Using local traditions and culture as the basis for marketing craft industries at a regional or sub-regional level, the Meisterstrasse project has developed a considerable momentum based on the following elements:

- The project has focused on networks of master craftsmen and craftswomen, defined by their common contribution to the identity and culture of a particular regional rather than by the nature of their craft. Network members include furniture-makers, glassmakers, stovemakers, tailors, dress-makers, florists and producers of a variety of foodstuffs.
- The strengths of craft traditions have been used to determine the characteristics that deliver quality products.
- A concern for quality is formalised in a set of rigorous criteria that have to be met by all members of the network.
- Attractive logos and marketing materials have been created for the network presenting strong symbols of the network members' distinctive products of quality.
- These symbols are an effective basis for a broader promotional campaign, involving media coverage, participation in international fairs and web marketing.
- There is also promotion at a local level through the identification of network members as part of an attractions route in tourism publicity.
- Network members are able to derive significant economies of distribution through their common promotion.

### 4. Nature of cultural activity

A wide range of craft and related cultural activities have been brought together under this project.

## 5. Main achievements

### *Introduction*

Craft industries and their traditions have a long history in Europe going back to medieval times and they are deeply embedded in the fabric of European society. Indeed, the range and vitality of the craft sector is often a good indication of the wellbeing of both urban and rural communities. A well functioning and diverse craft sector is both a manifestation of, and a contributor to, a healthy local economy. Craft businesses benefit from the high levels of commitment of those who work in them and, as lifestyle businesses, make a significant contribution to the quality of life in their local communities. In addition, they are an important outlet for the expression of individual creativity and often a repository of traditional knowledge and know-how.

However the sector suffers from a number of disadvantages. Craft businesses tend to be small and local in their operations. They are generally not able to take advantage of economies of scale in production and distribution and do not have the resources to develop effective marketing. They can sometimes be rather conservative in their practices and in their interaction with clients and this is often reflected in their representative organisations. At times they do not sit well with modern urban developments in particular; for example, they may find it difficult to establish an appropriate retail outlet as traditional high streets are replaced with new shopping centres. In the countryside, more subtle but equally persistent changes have affected the ability of craft businesses to operate in a traditional way.

### *Implementation of the project*

The initiative began as a pilot project in 2001, involving nine businesses.

In 2002 it was extended in the Salzkammergut as a LEADER+ project. Salzkammergut is a resort area mainly in the federal Land of Upper Austria and stretching from the City of Salzburg to the Dachstein mountain range. It is an area of lakes and mountains and has a predominantly rural character.

The Meisterstrasse Salzkammergut Leader+ project continued until 2005 and involved 42 partner businesses in total, including bakers, carpenters, tailors, glassmakers, stovemakers and florists. Leader+ provided only 4.8% of the funds but helped considerably more with the direction of the project networking and profile. A good part of the funding came from network members themselves.

The project was built on the conviction that it is possible to revitalise and build on the traditional strengths of craft businesses, in particular by developing the concept of the master craftsman. The traditions of craft industries are widely valued in society and it is possible to convert this appreciation into economic value. In doing so, a major consideration is the position of craft businesses as an expression of regional identity and culture. Craft businesses need to recognise and develop the strengths of this position and benefit from the networking that can be generated on the basis of a common identity.



A particular characteristic of the Meisterstrasse project has been its organisation on a regional basis. Rather than focusing on the strengths and traditions of a particular craft, the project has highlighted the common traits of a diverse range of craftsmanship in a particular area and



especially their joint contributions to local identity and culture. This approach has facilitated the promotion of local networking and mutual support and the marketing of network members at a local level. It has also enabled the craft sector to have a higher profile within local provision for tourism.

Master craftsmen and women are distinguished by pride in their work and specialist skills that differentiate their products from those that are mass produced but, to exploit these advantages, there must be a real concern for quality and an aptitude for innovation in order to adapt past traditions to meet contemporary aspirations. A core theme of the Meisterstrasse project has therefore been an insistence on quality. In order to be accepted into the network and to be able to use its distinctive logo and marketing facilities, members have to demonstrate their commitment to quality against a series of defined quality criteria. These criteria include:

- use of high quality raw materials
- application of traditional skills
- authenticity in reflecting traditional regional characteristics
- exercise of maximum care in the production process.



Members are also required to demonstrate their capacity for innovation and their commitment to good design and presentation.

This development has in turn enabled the network – or rather a number of local Meisterstrasse networks – to develop joint marketing and promotion initiatives, including media coverage, participation in international fairs, web marketing and promotion at a local level through tourism publicity.



During 2005 – 2008, the project was extended across seven Austrian regions, with some LEADER+ support, and grew to include 160 partners. In the current (2008 – 2012) phase, the project is being extended across the whole of Austria, again with some LEADER+ support in certain areas. In October 2009, there were 250 partner businesses in eight Meisterstrasse networks.

### *Assessing the impact*

Awareness of craft businesses has increased in specific target markets (e.g. urban customers) through targeted distribution, advertising, events and exhibitions. There has also been an increase in the numbers of craft and culture-related businesses opening.

Membership of the network has grown steadily. The craftsmen themselves have gained a quality brand that is recognised across Austria and beyond, providing them with better access to new customers. This has had direct effects on the retail turnover of the businesses.

The project was not been without its difficulties. The network members are strong individuals and a certain amount of give-and-take is necessary to mount joint operations. The organisers have also come up against people who are uncomfortable with the project's extension across traditional professional boundaries and, particularly, the fusion of a concern for local traditions and culture with the business organisation of the craft sector. New thinking and innovation are not only necessary in business; they are needed in the thinking of institutions and authorities too.



### *Conclusion*

The Meisterstrasse project shows that strengthening and use of regional identity and culture can leverage economic development and add to the quality of life across wide areas and not only in urban centres. It is particularly interesting as a demonstration of how the value attached to traditions and culture can be used as the basis for a revitalised image for the sector and be turned into economic value. It also demonstrates the critical role played by marketing in overcoming the characteristic disadvantages of small-scale production. Culture and identity is not only part of the attractiveness of a city or region; with effective marketing support, they can help develop the brand of small businesses.

## **6. Nature and extent of support**

€724,016, of which 4.84% came from EU funds. The majority of the funding came from elsewhere, including €1,350 per year from each of the network members.

## **7. Source of additional information**

[www.meisterstrasse.at](http://www.meisterstrasse.at)



## Case II.A8: The Digital Creative Economy

### 1. Title and country

State Unified Library Information System, Latvia

Plurio, Luxembourg

### 2. Main reason for highlighting this case

This case study contrasts digital developments in the two programming periods in two very different European regions. Both ERDF-funded projects aimed to make digital resources available across a wide territorial area and thus help promote territorial cohesion (Latvia) or stimulate territorial co-operation (Greater Region).

### Summary

<i>Country</i>	Latvia / Luxembourg
<i>Project</i>	State Unified Library System / Plurio
<i>Partners</i>	Plurio – Agence Luxembourgeoise d’action culturelle asbl., relevant government departments in France, Germany and Belgium
<i>Programming period</i>	2000 – 2006 / 2007 – 2013
<i>Sectors covered</i>	Library / Culture and creative sectors
<i>Cultural activity</i>	Literacy, on-line access / Contemporary arts
<i>Financial instrument</i>	ERDF – Objective 1 (Territorial co-operation)
<i>Objectives of project/programme</i>	Promotion of territorial cohesion / Territorial co-operation Dissemination of digital resources
<i>Budget</i>	Latvia: 1 543 730 LVL. 75% of this funded by ERDF Project duration 2005 – 2007 Plurio: € 1 480 416. 50% of this funded by ERDF, the rest from the participating regional authorities. Project duration 2009 – 2011
<i>Principal impacts</i>	Reduction in territorial digital divide Major increase in computer literacy Increased library use Plurio – project only launched in 2009
<i>Keywords</i>	Library, internet access, digital divide, computer skills, literacy / Digital resources, creative industries

### 3. Main features of the project/programmes

The State Unified Library Information System (August 2005 – May 2007) created a common library catalogue and wider public access to the internet across Latvia and improved networks and computing skills and competences. The project involved 871 libraries across the country and made a significant contribution to bridging the digital divide between the capital and outlying regions of Latvia.

The Plurio project (September 2009 – September 2011) operates in the Greater Region of Lorraine, Luxembourg, Saarland, Rhineland-Palatinate and Wallonia. This project also aims to make digital resources available across a wide territorial area, with a particular focus on using a tri-lingual web portal to facilitate interaction between the cultural community (both individuals and networks) and the creative sector more generally and providing a quality source of data for the media, publications and other users of digital material.

### 4. Nature of cultural activity

Literacy (Latvia); Contemporary arts (Luxembourg)

### 5. Main achievements

#### ***The State Unified Library System, Latvia***

##### *Introduction*

The planning document 'Strategic Guidelines on Regional Policy' (2004 – 2014) states as a primary goal the provision of equal conditions in terms of standards of living, work and the environment for all inhabitants throughout Latvia. The State Unified Library Information System project used Structural Funds to help promote territorial cohesion and tackle the developing digital divide between the capital and outlying regions.

##### *Implementation of the project*

The implementation of the project had four phases:

1. The development of a technical infrastructure of libraries
2. Development and supply of software for libraries
3. Organisation of instruction courses
4. Development of local networks

As a result of the project:

- State and municipal public libraries were provided with 1500 computers with basic software, 200 local networks and 190 internet connections.
- 600 librarians were instructed in basic computer literacy.
- 25 local libraries were provided with the software of the library information system.

- 871 libraries benefited from the project, including:
  - 807 municipal libraries and their branches,
  - 30 libraries (and their branches) of higher education institutions,
  - 34 national and specialised libraries and their branches.

### *Assessing the impact*

In Latvia the library has become a significant centre of culture, education and information as well as a social meeting point. In smaller municipalities a library may be the only place where people can access the internet, email, various databases, etc.

Attendance in municipal libraries had increased by 16% in 2007 compared to 2004, with a 30% increase by 2009. The use of internet libraries had increased by 100% in 2009 compared with 2008.

### *Conclusions*

The project has contributed to the spread of computer literacy and reduced the digital divide between the capital and the rest of the country. The significance of libraries has increased further during the recent period of economic crisis. The EU investment has therefore had a long-lasting effect.

### ***Plurio, Luxembourg***

The current phase (from 2009) of Plurio builds on a tri-lingual web portal established in an earlier INTERREG project to provide high quality access to information on cultural activity in the Greater Region and beyond.

The diversity of cultural offerings within the Greater Region is not only visible through the cultural portal [www.plurio.net], but is also accessible for new users and audiences via data transfer. The data is collected in XML format and arrangements can be made by cultural organisations or others active in the creative economy to download data regularly. RSS feeds are provided for notices of new activities.

It is too early to assess the impact of the Plurio project, but critical to its success will be the take-up of information by cultural and creative organisations. This could potentially provide a significant stimulus to the cultural community and the wider creative economy.

## **6. Nature and extent of support**

Latvia: 1,543,730 LVL – 75% of this funded by ERDF.

Plurio : €1,480,416 – 50% of this funded by ERDF, the rest from the participating regional authorities.

## **7. Source of additional information**

*State Unified Library System, Latvia:*

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## Case II.A9: 'Kunstwerk(t)' – Art Work(s)

### 1. Title and country

'Kunstwerk(t)' – Art Work(s), the Netherlands

### 2. Main reason for highlighting this case

This project demonstrates how performance arts can become an effective vehicle for communication with vulnerable groups that experience social exclusion, helping them to improve their skills, gain employment opportunities and benefit from social engagement with the broader community. It also shows how effective monitoring and evaluation can be used to refine methodology in such projects.



The cultural sector's potential contribution to creating more and better jobs has been underrated, as has its specific contribution to stimulating a broad range of creative talent, ensuring inclusive labour markets and improving the match between labour and market needs. This case study demonstrates innovative and creative approaches to these objectives.

### Summary

<i>Country</i>	The Netherlands
<i>Project</i>	'Kunstwerk(t)' – Art Work(s)
<i>Partners</i>	Kunstenaars & Co, 10 national partners, ArtsPEP (Warwickshire, UK), Euro Associazione (Sicily, Italy), Megallo project (Budapest, Hungary)
<i>Programming period</i>	2000 – 2006
<i>Sectors covered</i>	Culture and creative sectors
<i>Cultural activity</i>	Drama, theatre, music, singing
<i>Financial instrument</i>	ESF – EQUAL Community Initiative
<i>Objectives of project/programme</i>	Using performing arts as a means for communicating with and helping people who face social exclusion for various reasons  Helping excluded people to improve their interactive skills, build their confidence and capabilities and be better equipped to take on employment opportunities.
<i>Budget</i>	€1,031,893 – 50% from ESF Project duration Dec 2004 – Dec 2007
<i>Principal impacts</i>	Systematic improvement in the competences and employability of

the target groups.

*Keywords*

Drama, music, life skills, language skills, migrants, prisoners, learning disabilities, young people at risk, vulnerable groups, equal opportunities, social integration

### 3. Main features of the project/programme

The Kunstwerk(t) project was launched under the EQUAL Community Initiative in 2002. The Dutch element consisted of a partnership of 11 organisations, including the Ministry of Education Culture and Science and the Ministry of Justice; there were also partner organisations in the UK, Italy and Hungary.

A total of 18 artists worked with four target groups – migrants, people with mental and learning disabilities, prisoners, youth at risk – using different methods (theatre performance, choir presentations, etc.) to develop skills and competencies and promote integration.

A key part of the project was research undertaken by the SCO-Kohnstamm Institute of the University of Amsterdam to evaluate both the effects on the participants of the learning environment that the artists provided and the effectiveness of the project's methodology.

All four target groups improved in terms of general competencies such as self-esteem, perseverance, social skills, presenting and collaboration, as well as competencies specific to each pilot. No difference in benefit was detected between women and men.

A methodology was developed for measuring the effects of the artistic methods used.



### 4. Nature of cultural activity

Drama, singing, music

### 5. Main achievements

#### *Introduction*

The Kunstenaars & Co organisation in Amsterdam exists to promote artists and the cultural sector. It provides a range of services to support artists: organising networking and knowledge-sharing events, investigating new markets, providing training and counselling and bringing together cultural and business support.



At the heart of the Kunstwerk(t) project was the idea that artists are better able to bridge the gap with vulnerable groups than conventional trainers and social workers. Through

drama, performances and singing they are able to find new ways of communicating and helping people facing social exclusion to improve their interactive skills, build their confidence and capabilities and become better equipped to take on employment opportunities. For the artists, these creative activities are an employment opportunity, allowing them to extend their portfolios and experience and helping them to apply their creativity in new areas.

An integral part of the project was the research undertaken by the SCO-Kohnstamm Institute of the University of Amsterdam. The research was carried out by gathering data throughout the pilot projects, using questionnaires and interviews, together with observations and assessments of the participants by the artist, the service provider and the researcher.

Planning for this complex project began in December 2004. It was implemented over the period July 2005 to December 2007.

The project had four objectives:

- By using artistic methods, to improve the labour market chances of vulnerable people who have difficulties in realising their work potential.
- To validate the use of artistic methods to improve work competencies.
- To investigate the hypothesis that this method works better for women than men, with a view to using the method as an instrument to strengthen women's autonomy.
- To use the experience gained on the project to make the methodology more sustainable.

#### *Implementation of the project*

Four pilot projects worked with particular target groups using different artistic forms.

#### *Migrants and 'Zin in Taal' ('In the mood for Language')*

Under the provisions of the Civic Integration Act in the Netherlands, migrants have to follow a literacy course. Two theatre professionals developed the programme 'Zin in Taal' to complement an existing language course, making extensive use of elements of theatre and drama. The whole programme aimed to help participants gain a functional use of language, and to increase their independence and flexibility. The artists and the service provider jointly drew up a competence profile for this project, including such features as expression, assertiveness, articulation, coherent use of language and physical attitude.

#### *Disabled learners – Learn to work through acting in a restaurant*

In the second pilot, a group with mental disabilities and/or learning difficulties worked in Restaurant Ridderikhoff in Hoorn, both in the kitchen and waiting on tables. The artists developed a programme with theatrical elements that reflected the sort of general skills required when working in a restaurant. An artist and a service provider drew up a

competence profile that included such competencies as general attitude, social skills, concentration and the ability to improvise.

#### *Prisoners – Learn to tune in*

The third pilot was carried out in four prisons: two men's prisons, a women's prison and a juvenile prison. The artists set up music workshops in all four locations. The participants were prisoners with psychiatric and/or social problems in the last stage of their custodial sentence. The artists and researchers drew up a competence profile containing competencies such as concentration and motivation, co-operation, but also pitch, rhythm and textual understanding.

#### *Youth At Risk – Making theatre of their lives*

The fourth pilot involved young unemployed people with psycho-social problems and poor qualifications. They participated in the theatre production 'Leve ik' ('Long Live Me'), directed by the theatre company Parels voor de Zwijnen (Pearls before Swine). Reintegration Bureau FourstaR, which had the task of assisting these young people to take up training or find a job, also ran a sports and coaching programme to support preparation for the performance.

Attention was paid to themes such as talent and character, social skills and job interview training. The aim of Parels voor de Zwijnen was to co-create a touring theatre production in which themes from the young people's own lives would play a central role. The competence profile for this project included competencies such as imagination and creativity, discipline and perseverance.

#### *Assessing the impact*

Certain difficulties were experienced with some of the pilots, notably the one involving prisoners, where the removal of prisoners from the scheme or their transfer or release made it difficult to gather consistent and continuous data.

The research found that:

- Working with artistic methods increases competencies substantially. All four target groups improved general competencies like self-esteem, perseverance, social skills, presenting and collaboration. Specific competencies for each pilot were also improved.
- A methodology was developed for measuring the effects of the artistic methods used. This methodology needs to be sharpened and improved, but it forms an important groundwork for future research and applications.
- No difference between men and women was detected. The hypothesis that this method works better for women was not confirmed.



- Artists are able to organise attention in a playful way. Because of this, they have a positive image and are better able to reach vulnerable groups than other trainers or social workers. This enables them to highlight gaps in existing structures. Artists achieved very good results in all four projects. In three cases the processes deployed have started to be applied more systematically by the relevant agencies.

The results of the research into the project have been published.

### *Conclusions*

A very sound foundation has been laid for the use of the performance arts to engage vulnerable groups, win their confidence and prepare them for a more active role in the labour market. Not only did this project develop practice with four quite disparate groups, but significant effects were also identified using sound psychological methodology. The research helped practitioners to refine their methodology, particularly in setting clear learning targets for the participants.

## **6. Nature and extent of support**

Total project funding was €1,031,893. The ESF contribution was €515,946.50 (50%).

## **7. Source of additional information**

[www.kunstnaarengo.nl](http://www.kunstnaarengo.nl)

[www.toolkitkunstwerkt.nl](http://www.toolkitkunstwerkt.nl)

[www.skillsthroughthearts.org](http://www.skillsthroughthearts.org)

Wil Oud and Ron Oostdam 'ArtWork(s) in the Tertiary sector; Evaluation research into experiential learning with theatrical working form' Amsterdam: SCO-Kohnstamm Institute of the Faculty of Social and Behavioral Sciences, University of Amsterdam SCO-report no. 774 – project number 40081

## Case II.A10: Equal Opportunity in the Media

### 1. Title and country

Equal Opportunity in the Media, Hungary

### 2. Main reason for highlighting this case

KEJA (Kisebbségi és Emberi Jogi Alapítvány, Minority and Human Rights Foundation) in Budapest launched this project under the EQUAL Community Initiative in 2005. The project aimed to bring unemployed Roma and people with a physical disability into the labour market by involving them in creative sector training and employment. The project involved the successful establishment of a film studio run by people from these two vulnerable groups.

This case provides clear evidence of a sustainable impact from culturally orientated creative sector projects on employment and social development.

The project was one of four projects working with Roma in Hungary under the EQUAL programme; these trained 175 people altogether.

### Summary

<i>Country</i>	Hungary
<i>Project</i>	Equal Opportunity in the Media
<i>Partners</i>	Equal Hungary, OFA Hungarian Employment Foundation, KEJA Minority and Human Rights Foundation, 'Ház a Réten' Cultural Association of Public Utility, Partners Hungary Foundation and MEOSZ
<i>Programming period</i>	2000 – 2006
<i>Sectors covered</i>	Creative industries
<i>Cultural activity</i>	Audio-visual
<i>Financial instrument</i>	ESF – EQUAL Community Initiative
<i>Objectives of project/programme</i>	Training of unemployed and handicapped people, develop new training course for Roma and handicapped in the field of media, employment of trained people, Establishment of a video studio
<i>Budget</i>	350,000,000 HUF (€1.3m) Project duration Jan 2005 – Dec 2007 (€37m invested under EQUAL programme to support 190 organisations in 37 projects, 75% EU, 25% national sources)
<i>Principal impacts</i>	Training and employment for vulnerable groups. 40 people trained and 13 employed by KEJA. Film studio generating €0.25m annual income

*Keywords*

Taxes and social contributions paid by studio about €70,000 yearly  
Creative industries, audio-visual, Roma, disabilities, vulnerable groups, equal opportunities, social integration, employment

**3. Main features of the project/programme**

This project involved 40 unemployed Roma and people with a disability. All were aged under 40 and had graduated from secondary school with good communication and speech abilities. Those with a disability (half the group) all had a loss in work capability of at least 50%.

By the end of the project (December 31, 2007) the participants had all completed a training course and had a full year of professional experience, working together in the film and audio studio created by the project. The majority still work in the media today.

The studio has survived commercially, proving its sustainability. It generates approximately €250,000 income annually and 40 jobs have been created. The participants in the project work successfully with the biggest radio stations and TV channels (Klub Radio, TV2, Duna TV, M1). The studio's chief focus remains anti-discrimination work.

**4. Nature of cultural activity**

Audio-visual (movie and video manufacturer)

**5. Main achievements**

*Introduction*

The Central Region is one of the most highly developed regions in Hungary but it has many large apartment blocks and a mosaic of slum districts, such as the 8<sup>th</sup> District where KEJA is situated. These districts are characterised by high unemployment and a significant population from disadvantaged social groups, including Roma and people with a disability.

The regional development strategy requires vocational education and training of unemployed people in needed professions and in the creative sector. To survive in the labour market – irrespective of legal and social rights – vulnerable people need to meet the demands of employers and be able to stand up to the competition. Experience shows that complex support models are most useful in increasing the competitive position of vulnerable people, i.e. models in which infrastructure, HR (educational) requirements and business requirements are met by co-operation between national government, local governments, employers and civil organisations.

*Implementation of the project*

The project started at the beginning of 2005. The 'Ház a Réten' Cultural Association provided an accredited training course for the group. During the ten-month training course, students studied all aspects of film-making, including camera use, editing and cutting.

Students had to pass a theoretical exam at the end of the half year and a state final exam at the end of the year. They proved their practical skills by undertaking two film assignments in production groups of five people. They produced a synopsis and script, then made a film about a favourite topic. Students with a disability made television and radio programmes explaining their situation and difficulties.

35 Students were awarded certificates (OKJ) as movie and video manufacturers and began work with project partners (City TV) in order to gain a year's professional experience in the field.

The original small sound studio has become a well-known medium-sized high quality video and sound studio and is led by Roma and people with a disability. The studio has proved to be sustainable, surviving recent economic difficulties. Its primary focus remains anti-discrimination work, including commercials and programmes for well-known Hungarian radio and TV stations (Klub Radio, TV2, Duna TV, M1).

In addition – through the media network reached by the video studio – KEJA aims to promote Romani language and culture and foster positive attitudes to minority groups and defence of their human rights. A range of material will be produced: short films, interactive exercises, recorded musical and literary material, together with a book and a dictionary of the Romani language.

#### *Assessing the impact*

Evidence presented by the Foundation showed that:

- Over the three years of the project (2005 – 2007) almost 350,000,000 HUF (€1.3m) was invested in creative industries in Budapest via this project. Besides KEJA, three other partner organisations benefitted directly from the support programme.
- The investment of €1.3m from EU funds in business, skills and human resources development generates approximately €0.25m annual income for the studio.
- Taxes (including Value Added Tax) and social contributions paid by the studio amount to €70,000 annually.
- 40 jobs were created by the project between 2005 and 2007 (in the training and experience period). The majority of the trained people still work in the media; 13 of them stayed at the Foundation (KEJA) for more than two years afterwards, some of the others work abroad.
- 35 people received specific vocational training degrees in movie and video manufacturing (including editing and cutting) registered at the level of an accredited Adult Education Course (OKJ) and widely accepted in the job market.

The 2007 Evaluation Report of the Hungarian EQUAL Programme (Ernst and Young, Budapest) shows that a significant share of the projects implemented under the programme in 2006 and 2007 involved the creative sector, in areas such as handicrafts, contemporary

arts or the media. Four projects specifically addressed Roma, including the studio project; in all, these trained 175 people.

Some significant impacts were recorded for the people involved:

- training directly relevant to a work situation
- equal access to opportunities for learning and for working legally, and a regular salary
- strengthening of local Romani society
- a breaking down of discrimination
- positive mental development
- professional knowledge gained in the creative sector.

66% of the participants surveyed claimed that these projects had changed their life fundamentally. Positive impacts were identified in the form of new opportunities, new perspectives, a wider focus, an understanding of the problems of Roma society and a sense of finding their place in a turbulent world.

### *Conclusions*

Although reports (final report of the KEJA studio project, report on the set of Romani projects and 2007 EQUAL report on support for the EQUAL principles during the programming period 2000 – 06) all point to some shortcomings and areas for future improvement, there were a number of successes:

- Culture-based projects producing clear economic impact in terms of employment, increases in income and an increase in taxes and social contribution.
- Successful co-ordination across the country, leading to co-operation between previously disparate and isolated initiatives.
- An effective communication channel, helping creative sector organisations to align their objectives with those of the Structural Funds and to find their way through the administrative requirements.
- The engagement of people who had previously found it difficult to find jobs in effective training, leading to a recognised qualification and full-time employment.
- The focus on a business-based operation, including marketing and finance, that became a sustainable film and video studio.

## **6. Nature and extent of support**

Almost €1.3m was invested in the creative industries (KEJA project) in Budapest in the 2005–07 period, half of that in business facilities and half of in training programmes. Through the EQUAL Programme as a whole, 190 organisations were supported in 39 projects by €37m (75% from the EU, 25% from national sources).

The investment of €1.3m of EU funds in business facilities and training programmes generated an estimated €0.25m extra annual income through the KEJA project.

## 7. Source of additional information

KEJA web: [www.keja.hu](http://www.keja.hu)

Romani Thematic Network (DPs): <http://www.Romahalozat.hu>

EQUAL Hungary: [www.equal.nfu.hu](http://www.equal.nfu.hu)

2007 Evaluation Report of the EQUAL Programme in Hungary is available at:

[http://perfect-moment.co.uk/wb/media/download\\_gallery/pm\\_cc\\_report\\_download.pdf](http://perfect-moment.co.uk/wb/media/download_gallery/pm_cc_report_download.pdf)

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