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**CREATURES**



**WP T2 (WP T3)**  
**POLICY RECOMMENDATIONS**

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# 1 Introduction

The objective of this report is to propose a set of Policy Recommendations (PRs) that will be used as a reference point in facilitating future policy-making in the CREATURES project partner countries. According to the CREATURES project propositions, the objective of the PRs is to support cultural and creative industries (CCIs) in the ADRION Region by suggesting integrated policy tools and measures for the long-term development and sustainability of ADRION CCIs, with a focus on CREATURES project fields. The purpose of the report is thus aligned with the general character of the policy recommendations in informing the decision-makers of policy options that are evidence-based and analytically grounded. In order to propound the policy recommendations, this introductory chapter will clarify some of the key terms that are involved in the analysis such as policy and accompanying concepts of policy cycles, policy process, policy instruments, policy transfer, i.e. how policy is first constituted or constructed followed by how policy is brought to the practice. The policy is a widely and frequently used term, yet its meaning is rarely discussed, which has a great impact on the basic understanding of what policy is, who makes the policy, for what reason, and how it is made. Given that the policy-making and implementation encompass wide-ranging actors, all included in the specific process must have sufficient knowledge and proficiency in policy matters. To this end, the following is the brief glossary-type overview of the key concepts that are of importance for the creation and utilisation of this document.

**Policy** as a concept refers to regulating aspects of politics that imply coordinated actions and opportunity for stakeholders and observers to influence the process of decision-making and governing of the public resources, which gives complex meanings to public governance (Colebatch, 2008). Policymaking is the art of developing responses to public problems (Pal, 2013). Some of the infamous definitions of public policy include those stating that public policy is anything a government<sup>1</sup> chooses to do or not do to (Dye, 1972). Stating that, and in reference to the policies on cultural and creative industries that this document addresses, not having a policy is also a policy, i.e. a lack of policy indicates the general (predominantly political) attitude and the level of priority for a specific sector or area of activity.

**The cycles of public policy-making** encompass five stages: agenda setting, policy formulation, legitimation, implementation, evaluation, and subsequent policy maintenance, succession or termination (Cairney, 2012 in Bell and Oakley, 2015). It is through this public policy-making cycle or process that governments establish the framework within which all citizens must function, and it is the process via which governments decide both which societal goals to pursue and how to (best) pursue them (Young, 2013).

**The policy-making process** deals with the issue of who makes the policy and opens the possibility for inclusion of a whole array of interest groups, actors and voices to play a role in and influence policy-making; from civil servants to civil society, think tanks, academics, consultants, workers from the particular sector that policy deals with, etc. In that line, policy doesn't only have to do with government, but with governing, which is like "a pattern of interaction between different participants, a process of "pulling and hauling", in which different players try to shape activity in a

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<sup>1</sup> The term 'government' involves the whole constitutional order of democratic rule, from parliament and procedures of passing the laws to the national government and the work of national ministries and agencies. However, the government in public policy, i.e. cultural policy (that covers, in the larger part, the areas of CCIs) does not involve only these levels of authority. It also involves supranational levels (bodies of, for examples, European Union), as well as sub-national levels such as regional, local and communal (district) authorities. Public policy, cultural policy alike, operate on different territorial scales making complex cartography of governments' meanings and levels of involvement.





way which reflects their particular perspective” (Colebatch, 2009 [1997]:11). Simply put, public policies encompass a whole web of decisions, not just decisions in a single area. Hence, the process of creating public policies is a multi-layered one.

**Policy instruments** effectively denote **policy tools** that are necessary for achieving public policy objectives or goals. Contemporary public policies include a wide spectrum of policy instruments. By typology of action, policy instruments are legal (regulating), economic (financing) and organisational (planning). According to the modes of action, policy instruments can be stimulating or repressive. Stimulating instruments, in the scope of CCIs, can be, for example, the founding of the arm’s length agencies for the audio-visual sector, which is found in most PP countries. The legal instrument of founding an institutional framework becomes, henceforth, an organisational one. Positive or stimulating economic instruments are, for example, co-financing by the European programmes such as Creative Europe, while the repressive instrument can be, for example, the double taxation for creative workers or taxation of the sponsor donations. Given that the regulations make a significant portion of the policy instruments, it is often that legal framework is understood as a set of policy instruments. However, in many cases, the mere fact that there is legislation in place does not mean that it provides adequate conditions for various levels of governance to be directly included in obtaining public services. In other words, it is important to create organisational units that will provide public services for citizens, regardless of whether those units are public administrations, agencies or enterprises.

In relation to CCIs, the policy analysis must include the aspect of policy transfer and/or fast policy. **Policy transfer** is the extension or spread of policy, or an aspect of that policy, across different governmental units. By definition, policy transfer is a process by which “knowledge about policies, administrative arrangement, institutions and ideas in one political setting (past or present) is used in the development of policies, administrative arrangement, institutions and ideas in another political setting” (Fawcett and March, 2012:162). **Fast policy** is a new paradigm that is concerned with “those social practices and infrastructures that enable and sustain policy ‘mobility’, which enable the complex folding of policy lessons derived from one place into reformed and transformed arrangement elsewhere” (Peck and Theodore, 2015: xvii). The fast policy is of vital importance in matters of CCIs and CCIs’ policymaking that has been heavily globalized and reliant on the transnational circuit of international consultants and transference of “best practices” in form of reproducing of dominant practices (such as Westernised concepts of “creative city” grounded in social engineering of “creative class”) across diverse contexts. The issue that the fast policy deals with is the friction that happens in the application of dominant transnational policies into local contexts. This touches upon the central challenge of this document, which is to propose a set of PRs that are transversally applicable, relational and adequate to divergent realities, capacities, resources, etc. The generic nature of the transversal PRs has to take into account the areas of frictions that will (undoubtedly) arise from inherent cultural contradictions leading to uneven levels of future policy synchronisation of national policies. In that line, this document should be seen more like grounds for voluntary sharing of policy ideas rather than a coercive tool for mainstream policymaking.

Given the explanation of the practical and theoretical background of policy and what it means, the idea of what a policy recommendation document can achieve and how it should be analysed and created becomes more coherent. The report itself is structured according to the predetermined methodological framework. This charts an overview of the methodology used, followed by the unravelling of the policy context of policy recommendations through legal, institutional and policy frameworks for CCIs in the PPs, which is contained in Part 1. Part 2 introduces CCIs policy





recommendation needs deriving from the identification of relevant barriers, enablers and SWOT factors that determine the need for a policy change for the CC industry. Following Part 3 brings a description of policy recommendations with the proposed policy tools/measures stemming from the policy recommendations, finalising the policy document with the mitigating action for the policy recommendations.

## 2 The methodological framework for policy recommendations

The methodological framework of the PRs document takes into consideration the relations between the various project activities and incorporates findings of the analysis performed in other relevant project tasks, i.e. State of the Art analysis performed in WP T1 (Activity T1.2), Analysis of current legal, institutional and policy framework (Activity T2.1), and the development of the LAPs (Activity T2.3).

An initial activity (that does not constitute part of the PR development methodology) is the analysis of the legal, institutional and policy framework of the CC industry at the local, regional and national level focusing on the abovementioned fields (Activity T2.1). The findings from this analysis constitute the input for the development of the PRs as the interaction between the CCIs, the fields of application and the analysis of the CC industry legal, institutional and policy framework will determine the CCIs policy recommendation needs that the Policy Recommendations (PRs) will address.

The identification of the **CCIs policy recommendations aims** to determine specific areas of policy interventions that are needed by the CCIs and that will act as enablers in improving the performance of the CCIs actors and stakeholders (in relation to the project fields of cultural heritage and sustainable tourism) or as instruments for overcoming barriers. These will be policy recommendations and instruments which will potentially assist in creating an environment conducive for the establishment, maintenance and development of CC companies (start-ups and SMEs) in the fields of sustainable experiential tourism and cultural heritage preservation and valorisation that will foster their long-term development and sustainability.

The identification of CCIs policy recommendation needs requires the identification of barriers, enablers and SWOT factors that determine the need for a policy change for the CCIs.

In the process of the identification of CC industry policy recommendation needs, the role of the relevant actors is important. The actors may participate in the determination of barriers, enablers and SWOT factors as well as the specification of the policy needs themselves. Their involvement may be focused on the provision of input that is not available from other project activities such as the State-of-the-Art analysis in WP T1 (Activity T1.2), the analysis of the legal, institutional and policy framework (Activity T2.1), and the development of the LAPs (Activity T2.3).

Based on these inputs (i.e., the CC industry policy recommendation needs and the barriers, enablers and SWOT factors determining these needs), PRs are developed. The PRs shall provide support to the fulfilment of the CC industry policy needs and shall lead to an enhanced policy environment/context for the CC industry.

Given that the area of CCIs is largely disregarded analytically and statistically in a number of the PP countries, which was a barrier in itself for the PRs document, the creation of the PR included extensive desk research that covered policy analysis through numerous digitally accessible outlets and networks. This was compared and attuned with the previous analysis done for the legal



recommendations. Given that the legal framework constitutes what policy is, or should be, legal recommendations are embedded in the PR as a logical consequence of the policy exploration and elaboration.

All readings, considerations, and subsequent application or use of the following document must take vigilant note of the previously mentioned profound differences in the contexts that the document addresses. These differences have been, as per proscribed methodology, jolted into a single framework of the PRs, yet their meaning and practical formulations, implications and evaluations can, or rather, should have different outcomes, different methods of understanding and overall approaches. For this reason, the proposed PRs and the analytical arguments behind them should be accepted as negotiable, open-end guidelines for calibration of new policies and attuning of the old (existing) ones.





### 3 The collection of information for the production of Policy Recommendations

In order to develop the Policy Recommendations, a specific set of information was required which was structured in a template that was distributed to all project partners. This included: a) the legal, institutional and policy framework of the CC industry, b) the CC industry’s policy needs, c) the barriers and enablers for the fulfilment of the identified CC industry policy needs and d) the SWOT elements of the CC industry and how they affect the fulfilment of the policy needs.

According to the methodological framework presented in Section 2, the policy context of the policy recommendations is given by the analysis of the legal, institutional and policy framework of the CC industry (Activity T2.1). Therefore, Table 3.1 reflects this part of the methodological framework and includes data/information from Activity T2.1.

#### 3.1 Part 1: Policy context of policy recommendations

Findings from the analysis of the current legal, institutional and policy framework of the CC industry

*Legal framework*

The field of CCIs is not clearly defined and regulated in most project partner countries. Subsequently, the legal frameworks for this field are confusing, scattered across numerous public policies (urban planning, economy and commerce, etc.) and ambiguous. In most of the analysed legal acts, the creative activities that fall under the remit of CCIs are understood and articulated more classically and traditionally as cultural and artistic activities that are regulated in sense of their (regular) governing, funding and production. The legislation on CCIs in all project partners countries is notable in audiovisual arts and film, albeit, on different levels of representation and relevance. This line of legislation is mirrored in the institutional framework pertaining to the founding and functioning of public institutions and agencies (mostly arm’s length bodies) that promote, foster, support and sustain the film industry. Small and medium enterprises in CCIs are represented in the legal framework through the public grant schemes, like those in Croatia and Slovenia, which are a “one-off” systemic provision for the otherwise underrepresented position of CCIs in public systems - from culture to spatial planning and communal affairs.

There is a striking difference between legal structure for CCIs in project partner countries and it pertains to the level of the legal capacity and decision-making. For example, in Croatia and Albania, as well as to the extent in Slovenia (especially in the domain of CCIs) and Bosnia and Herzegovina, the levels of legal capacity and decision-making is highly centralised, i.e. legal provision is passed and implemented “top-down”. This approach to decision making is not in line with the contemporary developments in democratic forms of governance. On a more pragmatic level, it hinders “bottom-up” aspirations, needs, levels of development and planning that is attuned with the local capacities. In all areas of CCIs the inclusion of local aspect, views







and needs are crucial. As such, decentralisation should be legally fostered and supported. The high levels of decentralised decision-making are found in the case of Italy where most of the legal provision stems from sub-national levels and is appropriate for context-specific conditions. The focus on the *local* in sense of space, community, capacities, customs and planning is a vital component of ensuring sustainable conditions for steady and responsible development based on sustainability and involvement of local communities in the decision-making processes. In all of the project partner countries, regardless of their status of being EU or non-EU member state, the legal representation and articulation of the CCIs are lagging behind their proclaimed potentials. CCIs are public subsidy dependent, which is not to be criticized as such (as long as there is public interest and logic in providing subsidies) but which seeks an adequate legal framework. The current pandemic crisis has brought to the fore all the fallbacks of the chaotic legal (and consequently institutional) framework for CCIs. Namely, CCIs actors in most PP countries did not have a concrete place or source of public subsidy to which they could have turned to for assistance and help through extremely precarious times that literally uprooted the existence and survival of individual creative workers and SMEs in CCIs. Unlike institutional sector in culture, CCIs actors have endured a devastating effect of the COVID-19 (UNESCO, 2020) pandemic that exposed their particularly vulnerable position in legal, institutional and policy structures.

#### *Institutional framework*

The programmes by the European Commission, namely the 2014 -2020 Programme “Creative Europe” and “Horizon 2020” have encouraged a more visible and dynamic position and role of the CCIs, especially in the project partner countries that are EU members, and this has contributed to the strengthening of the institutional sector supporting CCIs. The stand-out position of the film and audiovisual industry in all project partner countries is reflected in the institutional framework, hence in most project partners countries, we find arm’s-length institutions that function as public agencies for audiovisual arts. The emergence and existence of the specific institutional framework for the audiovisual arts and film is a consequence of the specific legal acts that are in place for this segment of the CCIs. This concerns the specialized framework for the CCIs. When it comes to the institutional framework that covers the CCIs, but not necessarily specifically, i.e. CCIs fall under the remit of the institutional scope, in all partner countries some institutions function at the level of national governmental bodies. This involved the strong presence of the ministries that have culture under their authority. However, being a highly transversal field of activity that covers a wide range of profiles and status of CCIs actors, the institutional framework spreads outside the cultural field into national bodies such as ministries of entrepreneurship, industry, urban and spatial planning, constructions, state assets, etc. In several PP countries, there is a specialised institutional infrastructure such as The Centre for Creativity in Slovenia that promotes entrepreneurship and the creation of new businesses in CCIs. Important actors that fall under the institutional remit for CCIs are National Chambers of various fields of activity (such as, for example, crafts, architecture, etc.).

In project partner countries, there is a clear presence of the institutional role of private foundations (Greece, Italy) that support CCIs, as well as the role of the civil society associations that gather CCIs actors, such as associations for architecture, design, visual arts, performing arts, etc. Although these actors do not withhold the institutional and direct decision-making







authority, they are indispensable in the processes of policymaking, advocating the position, relevance and systemic conditions for the development of CCI. Insofar, the institutional framework for CCI must include all relevant actors despite their nominal status.

*Policy framework*

In most PP countries, the policy on CCI is visible in the fact that there is no coherent policy for CCI in place. Rather, policies for CCI are detectable in a number of legal acts covering an institutional spectrum but also the directions for the development, maintenance and overall systemic position of the CCI. Moreover, in some PP countries, there is no definition of the CCI (e.g. Albania, Bosnia and Herzegovina, Italy, Slovenia), while in most countries CCI are addressed through the legal framework across several policies; for the activity, most CCI fall under the cultural policy (understood in the more traditional and classical meaning of artistic and cultural activities), while for the status (SME, independent entrepreneurs, craftsmen, etc.) of CCI fall under the general administrative policies. Due to the fact that CCI are not articulated as a specific field of production or activity, the policy that would cover this field specifically is non-existent in PP countries i.e., referring to the policy on CCI relates to the a) legal and accompanying institutional framework, and b) a series of “one-off” initiatives, strategies, reports, policy initiatives, etc. that have some sort of policy trajectory or potential. In all PP countries, key policy actors are national governments (with the exception of Italy with a decentralised structure and strong role of the regional authorities) along with the network of interested and invested stakeholders that involve private organisations, civil associations and individuals. In relation to the above-stated difference in the political set-ups of public governing (decentralised vs. centralised governing schemes and structures), the policy for CCI (or the traces of thereof) in the PP countries is found on several levels; from the national level to regional and local one. Hence, in Italy, the policies pertaining to CCI are found on the level of metropolitan and regional strategies and policy programmes. In Slovenia, CCI are addressed in the framework of national policies (cultural policy, industrial policy, cohesion policy) and strategies. In particular case of Bosnia and Herzegovina, policy framework for CCI is additionally challenging in relation to the intricate political setting that divides policies according to political entities, ranging from federal to cantonal levels. Accordingly, in all PP countries, CCI are dependent on public funding (co-financing and subsidy), while the institutional framework for the CCI rests on the political authority for governing and decision-making. This is, to an extent, in collision with the proclaimed status and relevance of CCI as being an area of creative activities that are predominantly market-oriented and that drive, or at least, contribute significantly to the assumed benchmarks of creative economy paradigms, such as job creation, increase in the GDP, etc. The PR should be unequivocal on this matter. However, the issue on the position and relevance of CCI in respective national, regional and local contexts in sense of their market and/or public values is both ideological and political one that cannot and should not be suggested with the document that proposes policy guidelines across numerous countries. The current policy direction in all the PP countries indicated that CCI are (still) respected as of public importance, while their market contribution is a complimentary yet significant role. For this reason, the main axis of the policy recommendations involves a strong presence of the public authorities and public interest as the end aim and reference point of the CCI development. The role of the public authorities and interests in the CCI policy



deliberations becomes emphasised with the convergences of CCIs with cultural heritage preservation, interpretation and presentation along with the sustainable forms of tourism.

*Table 3.1: Description of current CC industry policy context*





### 3.2 Part 2: CC industry policy recommendation needs

Following the description of the policy context of the policy recommendations, the CC industry policy recommendation needs are described. The CC industry policy recommendation needs are derived from the identification of relevant barriers, enablers and SWOT factors that determine the need for a policy change for the CC industry.

A **policy need** refers to a specific need for a policy intervention that can benefit the CC industry with an emphasis on SMEs and start-ups in the fields of cultural heritage and sustainable tourism.

#### Description of barriers and enablers that contribute to the determination of the need for policy change in the CC industry

##### *Barriers*

- Lack of recognition of CCIs as a coherent and autonomous field
- Non-existent policies for CCIs
- Insufficient and chaotic legal framework for CCIs
- A modest number of CCIs institutions
- Unequal position of CCIs in comparison to the rest of the cultural sector (predominantly institutional sector and subsidized civil society sector)
- Reliance of the CCIs on political decision-making
- Lack of financial support for CCIs SMEs and start-ups
- Insufficient and underdeveloped programmes and synergies between CCIs and cultural heritage and sustainable tourism
- Unfinished and/or low levels of modernisation of the cultural sector
- Unrecognized (social and economic) potentials of CCIs
- General lack of public awareness of the benefits, potentials and relevance of culture and creativity (consequently of CCIs)
- Exclusive economic valorisation of CCIs
- Incoherence and insufficiency of policy instruments for CCIs
- Lack of research and data on CCIs (number of actors, economic and social impact of CCIs, presence of CCIs in other sectors and fields, i.e. cultural heritage)
- Lack of education (formal, informal, non-formal) and life-long learning opportunities for CCIs actors
- The weak presence of CCIs outside urban regions
- Exclusivity of “result-oriented” work versus “process-based”
- Insufficient number of programmes for support of CCIs (trade, industry and business support)
- Insufficient policy instruments for fostering and developing CCIs production and distribution
- Lack of local/regional/national branding of CCIs
- Insufficient levels of internationalisation of CCIs (in some PP countries)
- Lack of attention paid to the “spillover effects” of CCIs innovation and creativity into other sectors and export markets





- Lack of attention paid to CCIs qualitative contribution to social cohesion and inclusion agendas
- Low representation of CCIs in regional agendas (especially in the context of Smart Specialisation Strategies)

*Enablers*

- Policy-makers with direct authority (governments, governmental bodies in charge for fields under the CCIs, national, regional and local level of administration)
- Policy-makers with representational authority (associations of CCIs fields, actors, etc.)
- Policy-makers with advocacy influence (various interest groups - civil society actors, private sector)
- Experts in the field of CCIs (practitioners, policy consultants, lobbyists, etc.)
- Research and development community in CCIs both institutional (university, institutes, research centres, think-tanks, etc.) and individual (researchers, scholars, analysts, etc.)
- Business alliances and associations (possible cross-over with the policy-makers with representational authority and with advocacy influence)
- Cultural sector representatives (cultural institutions, cultural and arts organisations, etc.) encompassing cultural heritage specialists
- Educational sector representatives (schools, universities, learning centres, etc.)
- Citizens' alliances and initiatives (especially in cases of direct involvement of CCIs in communities through intervention on cultural heritage and/or involvement of CCIs in the strategic development of sustainable, environmentally and socially responsible and responsive forms of tourism)
- Representatives of related sectors, such as education, technology, tourism

*Table 3.2: Identification of barriers and enablers for the development of policies for CC industry*





SWOT factors that determine the need for policy change in the CC industry

<u>Strengths</u>	<u>Weaknesses</u>
<ul style="list-style-type: none"> <li>- A scale of developed legal and institutional frameworks for CCIs</li> <li>- A decentralised system of decision making for CCIs (institutional framework of arm's length bodies in most PPs, while systemically only in Italy)</li> <li>- Governmental support and programmes for CCIs</li> <li>- Adopted strategic framework for CCIs in most PP countries</li> <li>- A number of EU funded projects that address the topic of CCIs</li> <li>- Potential of CCIs production in all PP countries</li> <li>- International ties and cooperation</li> </ul>	<ul style="list-style-type: none"> <li>- A general absence of cultural and creative industries presence in public discourse</li> <li>- Scattered legal framework for CCIs</li> <li>- An absence of a coherent policy framework for CCIs</li> <li>- Incomplete or non-existent data and research on the CCIs: unknown statistics on CCIs (number of actors, social and economic contribution, etc.)</li> <li>- Unequal levels of development among the CCIs and PP countries</li> <li>- The vulnerable and precarious position of the CCIs</li> <li>- Uneven representation of CCIs in cultural and other public policies</li> <li>- Predominant presence of CCIs in the urban surroundings</li> <li>- Insufficient access to funding of CCIs (both public and private funding)</li> <li>- Insufficient partnerships and synergies with other sectors</li> <li>- Exclusion of CCIs from the decision-making processes</li> <li>- The insufficient green transition of CCIs and their involvement in tackling climate change issues</li> </ul>
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> <li>- EU programmes and funding (for both EU and non-EU member states)</li> <li>- Cooperation within the region (ADRION) and European territory</li> <li>- Translocal cooperation</li> <li>- Stronger ties with other sectors (cultural heritage, tourism, education, commerce, etc.)</li> <li>- Mobility between PPs' countries of CCIs policymakers and practitioners</li> <li>- Creating spill-over effects: bridging CCIs with the rest of the society and economy</li> <li>- Exporting creative production</li> <li>- Contribution to several fields: innovation; education and lifelong learning; social innovation and well-</li> </ul>	<p><u>Threats</u></p> <ul style="list-style-type: none"> <li>- Unstable economic, political and social environment</li> <li>- Shortage of financing due to crisis</li> <li>- Poor crisis management and response from the public authority</li> <li>- Lack of mobility due to the pandemic</li> <li>- Exclusion of CCIs from social and economic recovery plans, both short and long term</li> <li>- Excessive influence and "import" of international best practices that are not necessarily adequate for (local) contexts</li> <li>- Hostile political environment and political pressures</li> <li>- Exclusion from the decision-making processes</li> </ul>





<p>being, tourism; regional development and environmental sustainability</p> <ul style="list-style-type: none"> <li>- Infrastructural development with and for CCI</li> </ul>	<ul style="list-style-type: none"> <li>- Insufficient support from the market and audiences</li> <li>- Online censorship and self-censorships</li> <li>- Tendencies towards fake news and disinformation</li> <li>- Violation of artistic and creative freedoms</li> <li>- Rising inequality within the CCI (gender, social, ethnic, economic)</li> </ul>
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Table 3.3: SWOT elements of the CC industry

Description of the CC industry’s policy needs

The main CCI needs in the policy directly address the necessity for CCI to be clearly articulated and be given a coherent space within the policy system. In sense of policy definition and practice, the systemic space for CCI signifies a policy structure that will encompass all of the profiles and status of the CCI under one umbrella policy. Hence, the CCI should be represented in a full policy cycle as an autonomous, concrete field of policy action. This leads to the articulation of the central need, which is to include CCI, in all PP countries, in the agenda or priority for policy formulation, legitimation, implementation, evaluation, and subsequent maintenance of policy. The agenda-setting for CCI policy formulation can be a concrete advocacy contribution of the joint efforts invested in the CREATURES project insofar that the outcomes of the project add to the existing initiatives of CCI policy formulation and initiate necessary discussion in the immediate surrounding of the PPs. This approach to the essential need for CCI policies, which is to create the CCI policies, which opens the possibility for the CCI policies to be formulated “bottom-up”, rather than “top-down”. In that way, the formulation of policy co-generates legitimation and provides ample space for dialogue and inclusion of all interested and invested actors. “Bottom-up” policies’ formulations deal with the fast policies, i.e. with the ever-persistent “copy-paste” tactics of policy models that do not necessarily include, represent and address local or sectoral context that policies apply to. In other words, the creation of CCI policies in PP countries can be inspired with the “best practice” experience from various contexts, but should not closely follow those experiences in the policy formulation and application. Rather, CCI policies in PP countries should be holistic. The agenda-setting and formulation of policy for CCI should result in the formation of policy instruments that will support the ‘tailored policy’, i.e. implementation of policy that is specifically designed for CCI needs in a specific context. Keeping the policy up-to-date can be sustained through the continuous policy monitoring and close involvement of the ‘community of practice’, i.e. CCI practitioners, in the process of policymaking and policy changes. This addresses the policy need of creating networks, platforms and clusters of CCI that will foster partnerships between public,





private and civil society sectors in CCIs leading to an enhanced understanding and policy calibration.

CCIs needs are detectable through the low levels of integration of CCIs in urban regeneration projects in several PP countries, as well as in the digitisation schemes of CCIs production and distribution (although, digitisation of the CCIs has been accelerated in the pandemic circumstances regardless of public policy support). Inclusion of the CCIs in the general planning and development strategies in most PP countries is discernible through limited levels of links between CCIs and traditional cultural assets (cultural heritage, cultural institutions and other actors in the cultural sector). Moreover, needs of CCIs extend towards inclusion of creative businesses in tourism and tangible implementation of the smart specialisations' strategies. CCIs policies should tackle the need for investment in CCIs innovation and research that should reinforce the creative and innovative potential of these industries. The investment priorities refer to promotion of CCIs centres, clusters, development of CCIs services and products, promotion of entrepreneurship and developing of new sustainable, environmentally and socially attuned business models, fostering internationalisation, improving regeneration of urban and rural areas and communities both in sense of economy, physical conditions and infrastructure, and, most importantly, of well-being. Development of SME's through conducive policy actions contributes to the need of integrating CCIs with tourism and cultural heritage through rehabilitation of cultural infrastructure and promotion of cultural activities and creative skills. Reflecting these issues in CCIs functioning through policy can respond to some of the ongoing issues and needs that are found in the CCIs sector on the European level, such as cultural diversity, labour market, skills and education, sustainability of CCIs businesses and organisation, diversity and inclusiveness, and the role of arts and culture in European democracies (KEA and PPMI, 2019).

*Table 3.4: Identification of CC industry's policy need(s)*







### 3.3 Part 3: Description of policy recommendations

Following the identification of policy recommendation needs, the policy recommendations are described in terms of the following topics:

- Title of the policy recommendation
- Objective(s) it aims to achieve
- How it addresses the identified CC industry’s policy recommendation needs
- How it alleviates barriers / strengthens enablers
- If it is integrated with existing policies and if yes, how (complementary or in conflict)
- The transnational character of the policy recommendation, i.e. if it can be implemented beyond the regional/national level at ADRION level
- If there are any synergies between the suggested PRs or among the PRs and other existing policies
- If any of the proposed PRs are in conflict with other PRs or existing policies.

#### Description of Policy Recommendations

*Following are integrated policy recommendations for the long-term development and sustainability of the CC industry, focusing on a scale of CCI actors; from artists and cultural professionals to start-ups and SMEs*

#### ADMIN

- Specific, ‘made-to-measure’ (tailored) policy for CCIs in all PP countries
- A set of sub-policy documents for specific field and status of CCIs, directly addressing particular needs and potentials of CCIs
- Explicit representation of CCIs in greater number of supra-national (operational/funding) programmes

#### CCI

- Development of “soft” infrastructure for CCIs policy development and maintenance (partnerships, networks, trans-local/regional/national cooperation)
- Promotion of cultural and creative sectors as drivers of sustainable social, environmental and economic development encompassing wide awareness on the sustainability of CCIs
- Strengthened role of CCIs in local development, urban and rural revitalisation
- Harnessed potentials of CCIs for cross-fertilisation and stronger interactions with other sectors, namely cultural heritage and sustainable (experiential) tourism

#### RESEARCH & INOVATION

- Investment in new technologies and innovations
- Align the development of the CCIs with the national or regional innovation strategies and include arts, culture and creativity in the national innovation strategies in all PP countries
- Introduce, develop and foster educational programmes and life-long learning for CCIs actors and about CCIs for wider public, encompassing all forms of education (formal, informal, non-formal)





- Statistical and evidence-based research and measurements of CCIs on economic, environmental and social factors
- Green transition in the CCIs

#### HUMAN RESOURCES

- Resolved inequalities in the CCI sectors (gender, social, ethnic, economic)
- Fairer and more stable forms of working environment, employment, labour and social rights for CCIs workers
- Programmes for skills development and lifelong learning in CCIs

#### **Objectives**

- Open a wide participatory and all-inclusive process of setting the agenda and policy formulation across all interested and invested actors and sectors
- Create a specific policy framework for CCIs integrating all aspects of CCIs profiles, status and scope of activity
- Foster entrepreneurial culture and dynamics through enabling concrete incentives for start-ups and SMEs
- Establish and develop better legal stipulation and institutional support for all CCIs actors, especially for individual artists, craftsmen, civil actors.
- Secure more stable working conditions for CCIs
- Promote cultural diversity, gender equality and ensure access
- Reinvent operating models of CCIs in order to reduce their environmental impact (e.g. film shootings, touring performances, production)
- Open access to creative work through digital technologies and new approaches in audience and cultural participation
- Change funding opportunities and business models for CCIs
- Increase the growth of CCIs production
- Secure CCIs contribution to democracy and freedom of expression
- Enable higher levels of equality and resilience in the CCI sector

#### **CC industry policy recommendation need(s) addressed**

- The process of designing and adopting a specific policy for CCIs through proposed set of policy recommendations addresses a whole scope of the previously explained policy needs. To an extent, proposed policy recommendations go beyond stated policy needs and anticipate changes that are and will happen in the specific context as well as in their surroundings (e.g. prospective turns in supranational policies that directly address or relate to CCIs, changes caused by the climate change response in policies etc.).

#### **Industry barriers alleviated**

- Created policy setting and framework for CCIs
- Concretisation and integration of legal framework for CCIs
- Raised awareness about the role, position, relevance and potential of CCIs in public and targeted groups
- Developed adequate policy instruments or tools for CCIs
- Strengthened capacity of CCIs
- Process-oriented financing



- Tax changes for incentives for creative work
- Tax deductions for self-employed CCI workers
- Secured direct and indirect funding for CCIs
- Environmentally responsible work of CCIs
- Inequalities resolution

***Industry enablers strengthened***

- CCIs actors achieving a stronger position within the wider socio-economic arena
- Strong cooperation between key policymakers – from political actors to CCI actors, the research community, individual working in the field of CCIs as practitioners or consultants/researchers/managers, etc.
- Involvement of all cultural, creative, administrative and political actors in the decision-making processes on CCIs policy
- Securing perspectives for self-development and professional improvement of creative workers with the emphasis on civil society actors (non-profit), individual artists and cultural/creative workers, as well as SMEs
- Introduction of policy rationale and objectives for achieving gender balance and equality in CCIs
- Introduction of policy rationale and objectives for achieving cultural diversity balance and equality in CCIs (ethnic, social, etc.)
- Supporting green transition in CCIs production and close cooperation with the environmental sector and actors
- Thrived creative, knowledge and learning potential of creative workers and systemic recognition of CCIs artists, workers, professionals
- Investment in research, innovation and digitisation that directly involves and benefits entrepreneurs, SMEs, clusters, networks of CCIs
- Investment in digitisation
- Wider scope of sources for operational and funding support
- Support for CCIs actors' involvement in urban regenerations (as part of integrated projects) encompassing heritage specialists, local communities, and representatives from the fields of planning and development of sustainable forms of tourism

***Integration with existing policies***

- Specific policy for CCIs will integrate and amalgamate several policy instruments for CCIs that are scattered across numerous fields into one concrete systemic space for CCIs
- The prospective CCIs policies will be created within the remit of cultural policy with the aim of creating a coherent policy framework and goals that can produce policy outcomes optimally matched to the specific needs of the CCI sector. Given the scale of CCIs and their interdisciplinary and multisectoral nature, CCIs policies will have to be formulated as a large-policy system with broad aims. In this process, integration with existing policies will include replacing patchworks of public policies in specific issues pertaining to CCIs with more coordinated or 'integrated' policy rationales and strategies. Hence, policy integration for CCIs will need to incorporate CCIs actors, production, etc. into the legal framework, budget processes, public procurement within a single administrative remit with strategic joint actions, coordination mechanisms and policy transfers with other sectors. In such a way, fragmented decision-making for CCIs will be avoided by integrating different, yet interrelated policies.





***Transnational character***

- Increased integration of CCIs SMEs and micro-enterprises within foreign trade initiatives (export strategies, advisory services, trade missions) formerly addressed to more traditional, larger-scale sectors
- Multilateral approaches where PP countries collaborate on joint CCIs strategies (internationalisation, etc.)
- Increased number and dynamics of international cultural cooperation and exchange in the field of CCIs (encompassing practices targeted towards synergies with cultural heritage and sustainable (experiential) tourism
- Higher visibility of local and regional communities through collaboration with CCIs and CCIs contribution to urban and rural regeneration
- Alliances for strengthening democracy on European and international level (inclusion in Council of Europe’s Indicator Framework on Culture and Democracy)
- Joint funding schemes for transnational projects and networks
- Intensified cooperation in line with the “Towards an EU strategy for international cultural relations” document<sup>2</sup>

***Synergies between existing PRs or between PRs and other existing policies***

- On the supranational scale, PRs are synergised with EU policies and support schemes (Lisbon Strategy, European Agenda for Culture, UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expression, Creative Europe Programme, Smart Specialisation Strategies, Horizon Europe, Erasmus for Young Entrepreneurs, STARTS Initiatives, European Green Deal, EU Cohesion Policy 2021-2027, etc.)
- On a national and subnational scale with the legislation that pertains to the field of CCIs from all sectors (cultural, economic, spatial planning, etc.) that has been elaborated in the legal recommendations of the CREATURES project. However, it has to be noted that the existing PRs and existing policies for CCIs are not abundant, if any, in the PP countries. Hence, the synergies between proposed PRs can only be juxtaposed with the complex legal patchwork that serves as a proxy or set of guidelines for coherent and integrated policy frameworks and PRs in the field of CCIs.

***Conflict between PRs or between PRs and other existing policies***

- The proposed PRs are not in direct conflict with existing policy frameworks that define the functioning of the CCIs in PP countries. However, integration and synergy of policy actions across numerous sectors and fields under the aegis of one governmental, administrative unit, sector or field of action will undoubtedly create friction in the process of extrapolation from the governing, financing and decision-making remit of other sectors and policies. To this end, the possible conflict between proposed PRs and existing PRs from related sectors and policies should be prevented, resolved and counteracted through policy measures of a wide-ranging consultation process in the agenda-setting and formulation of CCIs policy.

***Comments***

Policy recommendations are, ordinarily, derived from the policy analysis of a particular context, from territorial context to operational, programme, audience, aspirational contexts, etc. Policy

<sup>2</sup> Document is accessible online at <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52016JC0029&from=EN> (02/08/2021).





analysis of that sort firstly sets guiding principles that demonstrate and reflect on the contextual setting, key issues and challenges that are found in the area that PRs are created for. The guiding principles are, more often than not, posed as a framework that defines the main values behind PRs and serve as a referential backbone of PRs. The actual PRs are then formed in a set of points that are elaborative to the extent of thorough understanding, but that is not structurally fixed and elaborated in a line of categories that resemble templates of strategic and action plans. The structure of PRs should be succinct yet flexible and prone to adaptation to different changes that will happen over time. For this reason, and for the reason that proposed PRs have to respect the subsidiarity principle and the diversity of contextual conditions, socio-political, economic and cultural disparities in the PP countries, the PRs are presented as a list of analytically grounded policy guidelines. Adherence to the prescribed template is slightly altered in order to avoid contextual unification and blending that can ultimately be more harmful than beneficial to the partners and actors in the PPs countries in which these PRs are intended to be actualised and put into practice.

*Table 3.5: Description of policy recommendations*



## 4 Proposed policy tools / measures stemming from the policy recommendations

This section aims to describe the policy tools and measures related to the Policy Recommendations. The template assists the systematic presentation of the policy tools and measures.

### 4.1 Description of proposed policy tool / measure

The proposed policy tool / measure	
Title	Public consultations (agenda setting) and data collection
Description of policy tool / measure	The organisation of the ongoing wide-ranging process of participatory policy design and making (sector consultations, public debates and discussions, etc.): commission of studies and research on CCI monitoring CCI workforce, production, audience, access, etc.
Policy recommendation addressed	<ul style="list-style-type: none"> <li>• Creation of specific, ‘made-to-measure’ (tailored) policy for CCIs in all PP countries</li> <li>• Formulation of a set of sub-policy documents for specific field and status of CCIs, directly addressing particular needs and potentials of CCIs</li> <li>• Harnessing potential of CCIs for cross-fertilisation and stronger interactions with other sectors, namely cultural heritage and sustainable tourism</li> <li>• Resolve main inequalities in the CCI sectors</li> <li>• Promote and secure fairer and more stable forms of working environment, employment, labour and social rights for CCIs workers</li> <li>• Encourage programmes for skills development and lifelong learning in CCIs</li> <li>• Stipulate awareness on the sustainability of CCIs and the importance of CCIs for sustainable development</li> <li>• Foster statistical and evidence-based research and measurements of CCIs on economic, environmental and social factors</li> </ul>
Stakeholders involved in the development and implementation of the policy tool / measure	<ul style="list-style-type: none"> <li>• Civil society organisations in CCIs encompassing professional associations of CCIs actors</li> <li>• Independent CCIs actors (artists, cultural and creative workers, etc.)</li> <li>• Public institutions and agencies in CCIs</li> <li>• Research and development institutions, organisations, agencies, think tanks, independent researchers, analysts, etc.</li> <li>• Education institutions, organisations and associations (from primary to higher education levels)</li> <li>• Citizens’ initiatives, communities and their representatives (micro-level of social engagement and inclusion)</li> </ul>



	<ul style="list-style-type: none"> <li>• Public authorities (depending on the level of policymaking and policy (territorial) scope; national, regional, and local)</li> <li>• Representatives of the tourism sector (associations, institutions, agencies, etc.)</li> <li>• Institutions, associations and professionals from the field of cultural heritage</li> </ul>
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*Table 4.1: The proposed policy tool / measure*

Description of stakeholder X participating in policy tool / measure development and implementation	
Title	Specialised policy documents
Description of policy tool / measure	Creation of field and site-specific policy sub-documents for the development of CCIs and integration with the cultural heritage and sustainable (experiential) tourism, i.e. management plans, strategic documents, etc.
Policy recommendation addressed	<ul style="list-style-type: none"> <li>• Creation of specific, ‘made-to-measure’ (tailored) policy for CCIs in all PP countries</li> <li>• Formulation of a set of sub-policy documents for specific field and status of CCIs, directly addressing particular needs and potentials of CCIs</li> <li>• Harnessing potential of CCIs for cross-fertilisation and stronger interactions with other sectors, namely cultural heritage and sustainable tourism</li> </ul>
Stakeholders involved in the development and implementation of the policy tool / measure	<ul style="list-style-type: none"> <li>• Public authorities (depending on the level of policymaking and policy (territorial) scope; national, regional, and local)</li> <li>• Representatives of the key decision-makers and political parties that are involved in the context-specific decision-making processes</li> <li>• Citizens’ initiatives, communities and their representatives (micro-level of social engagement and inclusion)</li> <li>• Civil society organisations in CCIs encompassing professional associations of CCIs actors</li> <li>• Independent CCIs actors (artists, cultural and creative workers, etc.)</li> <li>• Education institutions, organisations and associations (from primary to higher education levels)</li> <li>• Public institutions and agencies in CCIs</li> <li>• Representatives of the tourism sector (associations, institutions, agencies, etc.)</li> <li>• Institutions, associations and professionals from the field of cultural heritage</li> <li>• Researchers, specialists and professionals working in the fields of sustainable development, sustainability of culture and cultural sustainability</li> </ul>

*Table 4.2: Description of stakeholder X participating in policy tool / measure development and implementation*





Tasks and resources required to implement the policy tool / measure	
Title	Partnerships and networking
Description of policy tool / measure	Programmes for the development of partnerships between national and regional authorities in charge of different public policies such as economic development, employment, higher education and culture
Policy recommendation addressed	<ul style="list-style-type: none"> <li>• Development of “soft” infrastructure for CCIs policy development and maintenance (partnerships, networks, trans-local/regional/national cooperation)</li> <li>• Promotion of cultural and creative sectors as drivers of sustainable social, environmental and economic development</li> <li>• Strengthening the role of CCIs in local development, urban and rural revitalisation</li> <li>• Harnessing the potential of CCIs for cross-fertilisation and stronger interactions with other sectors, namely cultural heritage and sustainable (experiential) tourism</li> </ul>
Stakeholders involved in the development and implementation of the policy tool / measure	<ul style="list-style-type: none"> <li>• Public authorities (depending on the level of policymaking and policy (territorial) scope; national, regional, and local)</li> <li>• Citizens’ initiatives, communities and their representatives (the micro level of social engagement and inclusion)</li> <li>• Civil society organisations in CCIs encompassing professional associations of CCIs actors</li> <li>• Independent CCIs actors (artists, cultural and creative workers, etc.)</li> <li>• Public institutions and agencies in CCIs</li> <li>• Representatives of the tourism sector (associations, institutions, agencies, etc.)</li> <li>• Institutions, associations and professionals from the field of cultural heritage (international, national and subnational)</li> <li>• Representatives from the environmental sector (international, national and subnational public bodies and institutions, associations, initiatives, independent organisations, etc.)</li> <li>• Representatives from the economic and commercial sector (public bodies, agencies, associations, etc.)</li> <li>• Specialists from other policy fields; urban and spatial planning, social affairs, health, safety, transport, etc.</li> </ul>

Table 4.3: Tasks and resources required to implement the policy tool / measure

Enablers and barriers for the development and implementation of the policy tool / measure	
Title	Sustainability and green transition
Description of policy tool / measure	Introduction and setting of environmentally and socially responsible criteria for the production and distribution of CCIs content with increased funding for sustainable creative production



<p>Policy recommendation addressed</p>	<ul style="list-style-type: none"> <li>• Promotion of cultural and creative sectors as drivers of sustainable social, environmental and economic development</li> <li>• Support green transition in the CCIs</li> <li>• Encourage programmes for skills development and lifelong learning in CCIs</li> </ul>
<p>Stakeholders involved in the development and implementation of the policy tool / measure</p>	<ul style="list-style-type: none"> <li>• Representatives from the environmental sector (international, national and subnational public bodies and institutions, associations, initiatives, independent organisations, etc.)</li> <li>• Public authorities (depending on the level of policymaking and policy (territorial) scope; national, regional, and local)</li> <li>• Citizens’ initiatives, communities and their representatives (micro-level of social engagement and inclusion)</li> <li>• Civil society organisations in CCIs encompassing professional associations of CCIs actors</li> <li>• Independent CCIs actors (artists, cultural and creative workers, etc.)</li> <li>• Public institutions and agencies in CCIs</li> <li>• Education institutions, organisations and associations (from primary to higher education levels)</li> <li>• Representatives of the key decision-makers and political parties that are involved in the context-specific decision-making processes</li> </ul>

*Table 4.4: Enablers and barriers for the development and implementation of the policy tool / measure*

<b>Funding sources for the implementation of the policy tool / measure</b>	
<p>Title</p>	<p>Social cohesion and inclusion (contribution to democracy)</p>
<p>Description of policy tool / measure</p>	<p>Funding schemes (public calls for financing) CCIs led citizens’ and communities’ projects giving visibility to shared narratives through culture</p>
<p>Policy recommendation addressed</p>	<ul style="list-style-type: none"> <li>• Resolve main inequalities in the CCI sectors</li> <li>• Promotion of cultural and creative sectors as drivers of sustainable social, environmental and economic development</li> <li>• Strengthening the role of CCIs in local development, urban and rural revitalisation</li> <li>• Harnessing potential of CCIs for cross-fertilisation and stronger interactions with other sectors, namely cultural heritage and sustainable (experiential) tourism</li> </ul>
<p>Stakeholders involved in the development and implementation of the policy tool / measure</p>	<ul style="list-style-type: none"> <li>• Citizens’ initiatives, communities and their representatives (the micro level of social engagement and inclusion)</li> <li>• Civil society organisations in CCIs encompassing professional associations of CCIs actors</li> <li>• Civil society sector in areas of gender equality, social justice, LGBTQ community, women’s rights, etc.</li> <li>• Independent CCIs actors (artists, cultural and creative workers, etc.)</li> </ul>



	<ul style="list-style-type: none"> <li>• Public authorities (depending on the level of policymaking and policy (territorial) scope; national, regional, and local)</li> <li>• Public institutions and agencies in CCIs</li> <li>• Education institutions, organisations and associations (from primary to higher-education levels)</li> <li>• Representatives of the key decision-makers and political parties that are involved in the context-specific decision-making processes</li> <li>• Researchers, specialists and professionals working in the fields of sustainable development, sustainability of culture and cultural sustainability</li> <li>• Specialists from other policy fields; urban and spatial planning, social affairs, health, safety, transport, etc.</li> </ul>
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Table 4.5: Funding sources for the implementation of the policy tool / measure

Impact of proposed policy tool / measure	
Title	Operational support and labour rights
Description of policy tool / measure	Establishment of policy support structures (financing, tailor-made programmes, consultative processes, incentives) that will counteract highly volatile patterns of employment and social security rights in CCIs ensuring public support for non-profit CCIs
Policy recommendation addressed	<ul style="list-style-type: none"> <li>• Resolve main inequalities in the CCI sectors</li> <li>• Promotion of cultural and creative sectors as drivers of sustainable social, environmental and economic development</li> <li>• Strengthening the role of CCIs in local development, urban and rural revitalisation</li> <li>• Harnessing potential of CCIs for cross-fertilisation and stronger interactions with other sectors, namely cultural heritage and sustainable (experiential) tourism</li> </ul>
Stakeholders involved in the development and implementation of the policy tool / measure	<ul style="list-style-type: none"> <li>• Public authorities (depending on the level of policymaking and policy (territorial) scope; national, regional, and local)</li> <li>• Civil society organisations in CCIs encompassing professional associations of CCIs actors</li> <li>• Independent CCIs actors (artists, cultural and creative workers, etc.)</li> <li>• Public institutions and agencies in CCIs</li> <li>• Representatives from cultural and creative workers' unions and organisations that are active in the domain of labour rights</li> <li>• Representatives of the key decision-makers and political parties that are involved in the context-specific decision-making processes</li> <li>• Researchers, specialists and professionals working in the fields of labour rights in arts, culture and creative fields.</li> </ul>

Table 4.6: Impact of proposed policy tool / measure





Potential risks and mitigating actions	
Title	Internationalisation
Description of policy tool / measure	Adequate inclusion and representation of CCI in international programmes (financing schemes, international cooperation, trade agreements, tax regulations, cultural and creative exchange and mobility, etc.) taking into account their specificities
Policy recommendation addressed	<ul style="list-style-type: none"> <li>• Creation of specific, 'made-to-measure' (tailored) policy for CCIs in all PP countries</li> <li>• Formulation of a set of sub-policy documents for specific field and status of CCIs, directly addressing particular needs and potentials of CCIs</li> <li>• Development of "soft" infrastructure for CCIs policy development and maintenance (partnerships, networks, trans-local/regional/national cooperation)</li> </ul>
Stakeholders involved in the development and implementation of the policy tool / measure	<ul style="list-style-type: none"> <li>• Civil society organisations in CCIs encompassing professional associations of CCIs actors</li> <li>• Independent CCIs actors (artists, cultural and creative workers, etc.)</li> <li>• Public institutions and agencies in CCIs</li> <li>• Research and development institutions, organisations, agencies, think tanks, independent researchers, analysts, etc.</li> <li>• Education institutions, organisations and associations (from primary to higher education levels)</li> <li>• Citizens' initiatives, communities and their representatives (micro-level of social engagement and inclusion)</li> <li>• Public authorities (depending on the level of policymaking and policy (territorial) scope; national, regional, and local)</li> <li>• Representatives of the supra-national bodies and agencies</li> <li>• Representatives of the tourism sector (associations, institutions, agencies, etc.)</li> </ul> <p>Institutions, associations and professionals from the field of cultural heritage</p>

Table 4.7: Potential risks and mitigating actions

## 4.2 Funding sources

Public policies are areas of public action that predominantly and primary deal with the issues, matters and interests that are of public value and relevance. Accordingly, the main funding sources for public policies, their cycles of initial generation are funded with the public means, i.e. public budgets of the levels of administration that policy/ies deal with (local, national, regional, communal, district, etc.). In the case of this document and proposed PRs, they aim at policy formation at all levels of administration with regard to the decision-making and governing perimeter of policy. Insofar, policies made as a direct or indirect result of this document can be both





on city level or national level. The funding of such policies is planned and supported by the city or state budget with the co-financing from other supranational sources (European programmes, projects and schemes, UNESCO projects and schemes, etc.). However, in the process of policy implementation there can be instances of involvement of other forms of funding, such as private donations, sponsorships and crowdfunding. These forms of funding are specific according to the activities and actors that policy actions address, but in order to maintain the public focus, inclusive character and objectivity of policy, these forms of funding are not, and should not, be included in the policy planning as a resource of reliable and publicly accountable source of policy support.

In the scope of new EU founding programmes 2021-2027, the perspectives for funding the particular bracket of CCIs that are in the focus of this document are found in several programmes. On the explicit level, financial support for CCIs actors is found in the new Creative Europe programme (2021-2027) that has been structured through three subprogrammes. Those subprogrammes are, for the most part, repeating conventional, or rather 'traditional' imperatives that shape and articulate the possibilities and directions of development of CCIs sector. Those include artistic and cultural cooperation at a European level, encouragement of competitiveness, innovation and sustainability of the European audio-visual sector and promotion of the "cross-sectoral innovative and collaborative actions, including support for media literacy and a diverse, independent and pluralistic news media environment"<sup>3</sup>. For the envisaged period, the budget of the new Creative Europe programme is 2.44 billion euros compared to 1.47 billion euros allocated for the 2014-2020 programme.

On the implicit level, the funding opportunities for CCIs are scattered across numerous new EU programmes. For example, the IT and digital sectors are present in The Connecting Europe Facility (CEF) and Digital Europe, while CCIs have a strong representation in the European Regional Development Fund (ERFD), Erasmus +, European Urban Initiative, European Social Fund Plus, etc. When stating the implicit presence and representation of the CCIs in the new EU programmes, it refers to the capacities and competencies that make CCIs inevitable and irreplaceable components of the programmes' implementation, even without explicit mention of the specific involvement of the CCIs.

Both explicit and implicit opportunities for funding of CCIs within the framework of the EU programmes are aligned with the policies that structure and/or influence the remit of CCIs operations and development. Apart from the EU level, the funding for CCIs is available from the other supra-national funding sources, such as, for example, UNESCO's International Fund for Cultural Diversity (IFCD). However, the opportunities and perspectives for CCIs should not rely on the supra-national levels of support exclusively. Rather, the national, regional and local public budgets should attest to their direct commitment in supporting the CCIs beyond the scope of, for example, schemes and incentives that are targeted towards SMEs. CCIs involve a whole array of actors that do not operate on a commercial basis but still have a significant contribution to social, cultural and symbolic capital and values that cannot be disregarded. Those actors (i.e. independent artists, artistic and cultural associations and organisations in civil society, public institutions in the domain of arts and culture, etc.) need support from the public budgets of the respective context that they work in, that being local, regional and/or national. This support can be granted in a form of subsidy or other material means, such as the use of public space and/or infrastructure for the CCIs work.

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<sup>3</sup> Quote obtained online at <https://ec.europa.eu/culture/news/creative-europe-2021-2027-programme-launch> (11/10/21).





To this end, resources and tasks for future policies for CCI in PPs can be divided into several basic categories; those that involve policy provision for providing *direct* support in form of subsidies from public budgets (national, regional and local) to CCI actors. This form of support is gained through various policy instruments such as public calls and tenders for funding artistic, cultural and creative production. The main task for stipulating this form of support is to allocate a specific category for funding to CCI that are otherwise meshed into a wide pool of artistic and cultural activity. The other form of support would be *in-kind*, encompassing granting public resources for CCI use. As already mentioned, this involves allocating the public spaces and infrastructure to CCI actors for production, presentation and distribution of their work at non-market prices or waived fees for use. This form of support is of great importance for CCI actors working in settings where space for work is difficult to obtain for various reasons; from scarcity of available infrastructure, to pressures of the commodification of public spaces for, for example, tourism or other forms of commercial purposes. *In-kind* support can be achieved through instruments of public tenders, calls, etc. involving not only public authorities in the process of selection but also representatives from the respective communities in which the infrastructure is situated and the representative of the professional associations and civil society organisations from the CCI relevant field. In this way, the *in-kind* form of support becomes a policy tool for urban revitalisation, social inclusion and active civic engagement on governing and planning of public goods. *Indirect support* pertains to a form of public support that uses the instruments of other policies, namely fiscal policy as becomes apparent in a myriad of instruments such as tax exemptions, breaks, reliefs and incentives for CCI actors. This form of support can be applicable (depending on the public interest and policy rationales and goals involved) to both for-profit and non-profit CCI actors and activities.

### 4.3 Expected impact of proposed policy tool / measure

Given already mentioned diversity of policy contexts, realities and trends in the PPs that resulted in the overall and transversal analysis underlying this document, the impact assessment calibration of the proposed PRs is imprudent as it would require high levels of speculation and imposition of responsibility for policies that are either yet to be formulated or transformed. Generally, the notions of expected impacts and impact assessment indicators are driven by the evidence-based regime in public policies that propose data as relevant and (nominally) decisive factors in policymaking. However, as the latest research on the topic of impact assessment and evidence-based policymaking indicates, the pressures placed by the indicators of performance and measurements of efficiency and impact of CCI are paved with very dubious “evidence” (Belfiore, 2009; 2021). In the scope of impact of CCI, the economic impact is offered as the most influential and institutionalised form of policy discourse that has serious empirical difficulties in proving and verifying its validity. The contribution of the CCI sector has been obsessively measured throughout the last three decades to justify public support and investments in arts, culture and creative sectors through contribution and these sectors bring to economic growth. However, the reliance on proclaimed data on what CCI deliver in return for public support given can be only done in good faith as “there are no means to check the estimation or to replicate the calculation” of the declared economic benefits of the CCI (Belfiore, 2021: 5). Moreover, the economic impact studies “do not, however, indicate that the multiplier effect is greater in the arts, culture and creative sector than in other sectors of the economy (Bille and Schulze, 2006: 1064). These claims are not made in an attempt to dissolve the powerful significance that CCI have for many forms of capital and values but to bring into question the imperative of ex-ante calculations of expected impacts of proposed policy recommendations and indicators for their measurements. Rather, this line of discussion aims







to provoke a different perspective on how to “assess” or think “impacts” of CCI in various socio-political, cultural and economic environments. This involves making a shift from conventional policy rationality and linear acceptance of ‘evidence’ as “bounded rationality” of the ideal scenario of evidence-based policymaking towards continuous interplay between research, practice and policy as “involving a continual exchange and translations of ideas” (Smith, 2013: 74-54). Through such a shifted approach, future development of policies for CCIs in PPs can overcome, from the outset, the gap between the policy rhetoric and policy practice that is made with unrealistic claims and expectations based on the dubious statistics and data towards identifying ‘what works as a driver of policy. This can lead policymaking into an ideology-free process that will lessen the burden of the instrumentality of CCIs and add to their flourishing, which is in line with the proclaimed aims of CCIs contributions to sustainability.

Within the CREATURES project, indicators were devised for the CCIs impact assessment on cultural heritage and tourism (Deliverable T2.2.1). Based on the premises that one of the main challenges in “cultural heritage is ensuring its sustainability, which relates to the integrated management process, from heritage development to its interpretations” (Jelinčić, 2021: 9), CCIs (can) have a great role in modernizing cultural heritage, especially in forms of revitalisation, reconstruction, presentation, interpretation, etc. For this reason, discussion and planning of cultural heritage in the scope of its future forms and approaches to sustainability not only of heritage but of its wider context (cultural, social, political, economic, etc.) involves CCIs albeit naturally, commonsensically. The proposed indicators introduce CCIs as one of the drivers for heritage sustainability and are based on the methodology used by the Cultural and Creative Cities Monitor. Indicators for cultural/creative industries’ impact assessment on cultural heritage are proposed on two levels: policy level and project level. At the policy level, they potentially serve decision-makers against which policy interventions can be measured and adequately adapted, while on the project level, they serve cultural heritage managers in their daily operations potentially leading to a successful management of their cultural heritage sites. Both of these two categories are further elaborated and divided into main areas and themes resulting with specific indicators that are to be further tested followed by the ex post analyses that “should be made as to measure indicators’ relevance, effectiveness and efficiency” (Jelinčić, 2021: 9).

#### 4.4 Risks and mitigating actions

Please describe the main potential risks related to the design and implementation of this policy tool / measure and the mitigation actions that can be undertaken – add as many lines as necessary.

Risks and Mitigating Actions				
Title of risk	Description of risk	Level of probability (High, Medium, Low)	Level of impact (High, Medium, Low)	Description of mitigating action(s)
Politisation	Overbearing influence and involvement of the political actors in the cycles of CCI policy	High	High	Structural devolution of decision-making processes and procedures







Unresponsiveness	The absence of involvement and engagement of all necessary actors in the setting of the policy process of the CCIs	Medium	High	Open and engaging consultation processes, creation of small and medium arm's length bodies (public, civil and private or hybrid)
Internal and external antagonism	Negative perception, dialogue and cooperation between the key CCIs actors involved in the policy process, as well as negative perception and reaction from the public towards introduction of new policy framework for CCIs	Medium	High	Extensive public deliberation, discussion and media coverage of the policy process for CCIs sensitising both expert and general communities on the topic
Financing	Insufficient funds for implementation of policy through a set of instruments/tools/measures	Medium/High	High	Allocating and securing sufficient (pubic) funding for the needs of CCIs sustenance and development
External crisis (pandemic, natural disaster, etc.)	Inability for regular functioning, encompassing production, dissemination, mobility, etc.	Medium/High	High	Creation of crisis management strategies and recovery funds
Equality and rights	Violation of artistic and creative freedoms, rising inequality of gender, social, and cultural rights in the CCIs	Medium	High	Maintaining and developing policy frameworks, rationale and tools for cultural diversity and overcoming gender gaps

Table 4.7: Potential risks and mitigating actions





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