

Introduction to the Green Paper

“Unlocking the potential of cultural and creative industries”

Since 2009, the European Year for Creativity and Innovation, the European Commission has been intensively dealing with the cultural and creative industries (CCI)¹.

The strength of the CCIs is that even in economically difficult times they are growing and have a potential to foster creativity and innovation. The Green Paper refers to studies that have shown that the cultural and creative industries contribute 2.6% to the EU GDP. The sector, which includes performing arts, visual arts, cultural heritage, film, television and radio, music, publishing, video games, new media, architecture, design, fashion design and advertising, provides quality jobs for 5 million people in the EU.² Androulla Vassiliou, EU Commissioner for Education, Culture, Multilingualism and Youth said at the launch of the paper “They [the CCIs] have an important role to play in helping to bring Europe out of the crisis” – quite an ambitious task for an industry branch that has been long undervalued.

The Green Paper, which has been published by the Directorate General for Culture and Education intends to consult with the stakeholders and the interested public about adequate enablers in order to “unlock the potential of cultural and creative industries”.

Some remarks on what the Green Paper does NOT discuss in detail although these issues also have an impact on CCIs. The Green Paper argues that these issues are already being dealt with within other frames of the EU.

- There is no specific section on intellectual property rights (IPR) although it recognises the importance of creating value through immaterial assets. The Green Paper refers to the current discussion being held in relation to IPR in the EU context, i.e. the Commission Communication “Copyright in the knowledge economy”³ and Consultation Paper “Creative content in a European

1 Cf. magazine “Sounds in Europe”, issue 4 “Creativity and Innovation” http://www.emc-imc.org/fileadmin/user_upload/Publications/sounds4.pdf

2 2006 KEA study on the Economy of Culture in Europe <http://www.keanet.eu/ecoculture/studynew.pdf>
2008 UNCTAD report on “Creative Economy” http://www.unctad.org/en/docs/ditc20082cer_en.pdf
Commission Consultation Paper “Challenges for EU support” http://ec.europa.eu/enterprise/policies/innovation/files/swd_services.pdf

3 http://ec.europa.eu/internal_market/copyright/docs/copyright-info/20091019_532_en.pdf

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digital single market: Challenges for the future”⁴, a reflection document of DG INFSO and DG MARKT 2009.

- It does not address the obstacles that still exist for the mobility of artists such as visa issues, or social and fiscal regimes or taxation. For these issues, it refers to the OMC working group on mobility that is supposed to deliver its final report in summer 2010⁵.
- Also, not explicitly mentioned is the status of the artist/author, though the artist/author is at the heart of the CCIs without whom no cultural and creative works could flourish.

Some terminology used in the Green Paper is ambiguous. The discussions held in the Culture Sector Platform on the Potential of the Cultural and Creative Industries on the term “artist” led to the use of “authors and artists” when talking about the creators of artistic and cultural products. Such specification becomes even more important when the Green Paper talks about “art and design schools” where no definition or explanatory note is given, in such a sense that “art and design schools” comprise a wide range of artistic disciplines such as music, theatre, film, literature, dance etc⁶.

CCIs, the Digital Shift and the role of SMEs⁷

The Green Paper is mainly looking at the CCIs and their interdependence with digitisation and globalisation. The new environment has changed traditional production and consumption, and the systems that offered possibilities to draw value from content (e.g. Collecting Societies) are challenged. At the same time ICT (Information and Communication Technology) offers new production and distribution channels that know no physical or geographical barriers and as such open cultural products to a much broader public.

The ICT’s success highly depends on the “high quality and diversified cultural content”. The green paper states that these challenges of “going digital” have to be covered by the CCIs. In this digital shift, different stakeholders are involved – on the one hand big players such as telecom companies, electronic manufacturers, and search engines, web-based social platforms etc. and on the other hand, the CCIs whereof a vast majority are SMEs (Small and Medium Sized Enterprises). The SMEs play a crucial role in creativity and innovation as they are risk takers, early adopters and trendsetters designing new aesthetics and discovering new talents.

The Green Paper states that a culturally diverse digital environment is only possible if fair access is guaranteed for all and if no unjustified barriers to entry are set up⁸. A true paper of the EU, it sees a major role for standardisation (interoperability) in creating fair access conditions. “Standards which help to create an innovation friendly market, which encourages innovation while avoiding systems which may restrict access to diverse content”.

4 http://ec.europa.eu/avpolicy/docs/other_actions/col_2009/reflection_paper.pdf

5 The final report will be published at: http://ec.europa.eu/culture/our-policy-development/doc1569_en.htm

6 This becomes especially tricky when reading some of the translated versions of the Green Paper, e.g. the German notion of a “Kunst- und Designschule” does not automatically include other artistic disciplines, though it may be the case in some schools, the “Kunst- und Designschulen” are very often regarded as schools where the visual arts are being taught. Therefore, using the term without an exemplary note makes it too narrow.

7 Small and medium sized enterprises

8 The official term used is the level playing field which means equal opportunities for all and no distorted competition

Political Context o

UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions

The EU is a signatory party of the convention and this affects its perspective on international cultural exchanges and trade which is based on the principles of equitable access and openness and balance

European Agenda for Culture

One of the three objectives of the agenda is: “the promotion of culture as a catalyst for creativity in the framework of the Lisbon Strategy for growth and jobs”.

Council Conclusions on Culture as a Catalyst for Creativity and Innovation (December 2007)¹

- Recognition of the importance of the CCIs
- Maximisation of the potential of culture and creative SMEs (Small and Medium Sized Enterprises)
- Strengthen the link between education, training and the CCIs
- Culture mainstreaming: stronger links between cultural and other relevant policies

1 http://ec.europa.eu/culture/our-policy-development/doc/CONS_NATIVE_CS_2009_08749_1_EN.pdf

f the Green Paper

EU Parliament Resolution on Cultural Industries²

“to elaborate political measures in order to develop European creative industries, incorporating these in a genuine European strategy for culture.”

Culture Sector Platforms

- Access to Culture
- Potential of Culture and Creative Industries

OMC Working Groups

(national expert working groups, set up by the member states)

- Synergies between Culture and Education
- Culture and Creative Industries

Europe 2020

- Flagship initiative: Digital Agenda for Europe that has as one of its main aims to create a single market for online content and services
- Flagship initiative: Innovation Union specific actions will be undertaken to strengthen the role of CCI as a catalyst for innovation and structural change
- Strategy on Intellectual Property will focus on the use and management of rights

2 <http://www.europarl.europa.eu/sides/getDoc.do?type=TA&reference=P6-TA-2008-0123&language=EN&ring=A6-2008-0063>

Areas in which the Green Paper asks for suggestions for priorities for action at European level

Putting in place the right enablers

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

- Next to traditional institutions the Green Paper sees a need to support new ways of experiencing culture
- Transversal collaboration shall be promoted: collaboration between arts, academic and scientific institutions and private-public initiatives to support artist-led experimentation
- These new spaces shall mainly be so-called cluster organisations that bring together cultural and creative businesses at local level

Questions asked in the Green Paper

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

Better matching the skills needs of CCIs

- Partnerships between art and design schools or universities and businesses
- Lifelong learning in the context of the Portfolio career
- The “new skills for new jobs” initiative should also include a sectoral approach for the CCIs
- Peer-coaching

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

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

Access to Funding

- Most CCIs have a lack of information about sources of finance
- Undercapitalisation of CCIs in obtaining adequate valuation of their immaterial assets
- Usage of the instruments of other market-oriented EU programmes (e.g. competitiveness, innovation programme) with no specific CCI approach
- Cross-sectoral approach to evaluate companies and their projects

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

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

Local and regional development as a launchpad for global success

Local and regional dimension

- Clustering of local businesses and partnerships between CCIs and industry, research, education and other sectors
- Integrated development model: strategic approach: support to CCIs is not a luxury but a joint contribution to the economic development and social cohesion of a territory

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

Mobility and the circulation of cultural and creative works

- Promoting the mobility of artists and cultural practitioners contributes significantly to their professional skills and artistic development
- Mobility can open up new market opportunities
- Circulation of works benefits European audiences offering them new perspectives
- Mobility is essential for giving wider access to cultural diversity to all

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

Cultural exchanges and international trade

- The EU is a signatory party of the UNESCO 2005 convention (see above)
- The EU is also committed to promoting intercultural dialogue worldwide. In doing so, it must also contribute to the diffusion of its cultural diversity – including the goods and services produced by its CCIIs – across the globe
- Facilitating exchange is also important in stimulating cultural diversity

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

Towards a creative economy: the spillovers of the CCIIs

- CCIIs play a greater role in national and regional innovation systems than previously recognised:
 - CCIIs provide content, demand in broadband connection is rising
 - CCIIs contribute to an innovation-friendly climate in Europe (“experience economy”)
 - Firms that use services from the CCIIs perform better on innovation
- CCIIs influence on the soft location factor of cities and regions is increasingly acknowledged
- Maximise the links between culture and education so as to promote creativity on a life-long basis
- Quality cultural and art education has an important role to play
- Synergies between culture and education should be further explored
- Links between CCIIs and other industries should be strengthened for the benefit of the economy at large
- Creative Partnerships should be established to make effective links between the CCIIs and fields such as education, industry, research or administration in order to transfer creative knowledge to other sectors

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

How can “creative partnerships” be promoted between CCIIs and education institutions/ businesses/ administrations?

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

The consultation on the green paper is open until 30 July 2010 at http://ec.europa.eu/culture/our-policy-development/doc2577_en.htm