



MINISTÉRIO DOS NEGÓCIOS ESTRANGEIROS
Direcção-Geral dos Assuntos Europeus

Portuguese contribution

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

General appreciation

The great and recognised potential of the cultural and creative sector to growth and employment is not sufficiently and explicitly reflected in the EU 2020 Strategy, although this Strategy could be an important tool to enhance the coordination and to promote a better integration and coherence between the above mentioned policies.

The implementation of EU 2020 Strategy's Flagship Initiatives "Innovation Union" and "An industrial policy for the globalisation era" are particularly relevant to strengthen the links between creativity and innovation and to unleash the potential of the cultural and creative sector to promote the competitiveness of Europe's primary, manufacturing and services industries.

CCIs play a very important role in the national and regional innovation schemes, particularly in social innovation, giving a contribution to the balanced and sustainable development of towns and regions with a positive impact on Social and Territorial Cohesion.

In addition to the questions mentioned in the green paper on cultural and creative industries, PT would like to make some additional comments on the following:

1) Economic dimension of cultural activities

The cultural and creative sector is one of the most vibrant in Portugal as well as in the EU and it is essential to invest to bring closer together Culture and Economy. Culture and creativity offer a huge potential to revitalize the economy and the Government has a role to play to promote the interconnection between creators and businesses.

2) There are some areas where intervention can give a further impulse to these industries:

- Interaction between cultural and creative industries, for example through the launching of internships in the areas of culture, creativity and innovation, training in management and use of financial instruments, creation of new financial tools aimed at those activities;
- Interaction between cultural and creative industries and ICT services by investing in an academic-scientific-business triangle;
- Promoting a closer liaison with regional and local development, for example through the creation of cooperation networks for support mechanisms as well as for mechanisms for information sharing;



MINISTÉRIO DOS NEGÓCIOS ESTRANGEIROS
Direcção-Geral dos Assuntos Europeus

- Architectural heritage, which relevance is not highlighted in the green paper, can be an incentive to the creation of new products and is also a tool to foster the touristic attractiveness of regions.

3) The role of the media

a) Throughout the paper the explicit references to the media are very scarce. Their potential for the development of cultural and creative industries and for the broad development of culture in society should be given a greater emphasis. Therefore, the green paper should highlight the important role of the media (traditional and online) in the distribution and promotion of cultural and creative contents, in strengthening the participation and the critical and civic awareness of citizens regarding society's cultural questions and in the valuation of the European cultural identities.;

b) The initial part of the green paper mentions the crucial role that cultural contents have in the development of the Information Society. It should also refer that, in exchange, the Information Society promotes the development of new cultural contents, as well as of new ordigital media;

c) The green paper should underline the important role of new media in the promotion and distribution of cultural contents and in the active citizen's participation in the digital society;

d) The possible creation of a guarantee fund for the production in the audiovisual sector, in the framework of the Media Programme, could give a new impulse to the cultural and creative industries market;

e) In line with the 2005 UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions the green paper should acknowledge and highlight the fundamental principle of the importance of the freedom of expression, information and communication to the promotion and protection of cultural diversity;

f) Media literacy is a lifelong process aimed at empowering every citizen, irrespective of age, to fully use the Internet and ICT in a responsible and critical way. Media literacy plays a crucial role in the rising of awareness to the audiovisual heritage of Europe, in the promotion of European cultural identities, and in the improvement of knowledge and interest for this heritage and for European cultural works.

4) Outermost regions

In regard to the activities discussed in the green paper, the most crucial issue for outermost regions is certainly the mobility. Not only because these industries offer a great potential but also because mobility is linked with other important concepts as diffusion, education, equal opportunities and entrepreneurship.



MINISTÉRIO DOS NEGÓCIOS ESTRANGEIROS
Direcção-Geral dos Assuntos Europeus

Mobility should encompass the physical circulation of creators and virtual products as well as the enhancement of virtual mobility. It will be of the utmost importance to ensure that policies and programmes designed for cultural mobility incorporate flexible mechanisms for contacts with third countries.

PUTTING IN PLACE THE RIGHT ENABLERS

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

Question:

- 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?

The existence of creative entrepreneurs, collaboration networks (physical and virtual), an appropriate framework for CCIs, central spaces with versatile to welcome creative enterprises and initiatives are critical to foster the creation and development of creative spaces. Urban and regional policies should contribute to make cities more adequate to attract creative talent. In this context, the assessment of existing initiatives and sharing of good practices could help policy makers formulate and implement more effective policies.

The policy instruments to foster Cultural and Creative Industries (CCI) should include:

- **Projects:** Support innovative projects in CCI selected through open competitive processes starting with widely publicized public calls. These projects should have an emphasis on the development of high quality new products/works and on the development of knowledgeable interdisciplinary networks brought together around concrete goals.
- **Institutional development:** Support institutional development in the form of schools/centers/ateliers/clusters of excellence through open competitive processes, on the basis of clear concepts and objectives for developing cultural and creative industries and on the existence of a supporting pool of talent of excellence or the mechanisms to achieve it.
- **Creative cities/communities – attraction of talent:** Support the creation and development of creative communities and cities, increasing the attraction and concentration of open diverse and talented people in the arts, humanities, science and technology. In this regard, an integrated European public policy aimed at



MINISTÉRIO DOS NEGÓCIOS ESTRANGEIROS
Direcção-Geral dos Assuntos Europeus

attracting third countries young talents, artists and experts in creative contents could be a major factor to foster CCI.

- **Education and training:** Support advanced educational programs in Higher Education expanding arts and culture higher education capacity, attracting and developing effective teachers, improving teaching and learning processes, fostering the knowledgeable use of digital technologies and media, linking arts and culture education to economy and society within the context of globalization. These programs should be supported both through competitive **fellowships** awarded to talented individuals and **grants** for the introduction and development of institutional programs.
- **Internships:** Support internships of young artists in scientific and technological settings.
- **Supporting infrastructure:** Develop and deploy infrastructure, not only digital information and communication electronic infrastructure but also open repositories of information and data with information and data publicly held, produced and/or sponsored, including extensive digitalized cultural heritage, as a general information infrastructure to flexibly build added value by reuse, transformation and development of existing digitalized media.
- **Develop new technologies for CCI:** Support the creation of interactive digital media, novel human-computer interfaces, augmented reality, intelligent ambients, involving scientists, engineers and artists.

An underlying principle should be followed in the application of all these policy instruments: **priority should be given to projects/actions involving both arts/culture and science/technology, in particular by explicitly fostering the involvement of ICT researchers and technologists in concrete projects/actions with artists/authors.**

As an example, since 2006 special international programs were initiated in Portugal, some of them having in mind the creation of adequate institutional frameworks for part of the policy instruments mentioned above, such as the **University of Texas Austin – Portugal Program** (<http://www.utaustinportugal.org/>) and the **Carnegie Mellon – Portugal Program** (<http://www.cmuportugal.org/>) which are major international collaboration programs aiming at establishing groundbreaking intercontinental scale knowledge networks in emerging technologies and applications, including aspects of relevance for CCI.

The main instruments to improve the Access and use of ICT for CCI fall within some of the types described above, in particular:

- **In art/design schools:** Equipping them with state-of-the-art digital technologies and transforming education through an increased the interaction of students and professors, in particular of diverse cultures, and originating or living in distant communities, through the development of advanced virtual work environments, through organized partnerships with other schools and institutions.



MINISTÉRIO DOS NEGÓCIOS ESTRANGEIROS
Direcção-Geral dos Assuntos Europeus

- **By providing supporting infrastructure:** In particular extensive access to open repositories of information and data with publicly held, produced and sponsored information and data, including extensive digitalized cultural heritage.
- **Within projects:** Nurturing projects with novel applications and use of ICT to CCI.
- **By improving digital media literacy:** In particular, in basic and secondary schools, introducing modern and pervasive means of access and transforming education with digital technologies and content, but also through outreach activities targeting communities.

ICT are radically transforming the ways people create, collaborate, disseminate and commercialize their creations. As in most of the other major applications of large-scale network applications, this development will trigger radically new models of distribution, access, use and pricing, reforming the market for CCI.

The European Network of Living Labs is an example of how Information and Communication Technologies (ICT) are a key enabler for mobilizing and aggregating the “collective intelligence and creativity”. The objective of this Network is to bring together representatives of the key stakeholders involved in open, collaborative and co-creative innovation – from the point of view of public sector, business world and academia, including consumers’. The implementation of the Flagship Initiative “A Digital Agenda for Europe” of EU 2020 Strategy is very important to increase access to ICT services in/for the cultural and creative sector, namely promoting internet access and take-up by all European citizens.

Better matching the skills needs of CCIs

Questions:

- How to foster art and design schools/business partnerships as a way to promote incubation, start-ups and entrepreneurship, as well as e-skills development?
- How could peer-coaching in the CCIs be encouraged at the level of the European Union?

It is crucial to improve the connections and partnerships between universities and industry, such as:

- **Projects:** Involving schools and enterprises. Curricula at schools should include contents on initiative and risk-taking along with the other key competencies such as critical thinking, creativity, initiative; problem solving, risk assessment and decision taking are key parts of the process for the development of the human capital and of new and/or renewed e-skills in knowledge, sustainable and more creative societies.

- **Joint partnerships to foster institutional development, creative cities/communities and the attraction of talent:** Involving



MINISTÉRIO DOS NEGÓCIOS ESTRANGEIROS
Direcção-Geral dos Assuntos Europeus

schools/centers/ateliers/clusters, enterprises and public administration agencies related to the promotion of culture, knowledge/science and industry, and bring top-level employees of these organizations to participate in lectures and practical projects in schools.

- **Joint partnerships in advanced educational programs:** In particular, in the development of innovative educational programs oriented to CCI.
- **Internships:** Programs organized for offering internships of students in companies.
- **Extension/long-life opportunities:** must support the necessary changes to promote creativity and learning environments within the enterprises, public administration and other organisations, in order to better matching the new skills that CCIs need and facilitating labour mobility. The potential of ICT must be taken into account concerning the promotion of new ways of learning and teaching, contributing to the promotion of lifelong learning.

Peer-coaching in the CCIs could be encouraged through European mobility programmes for young professionals, namely through the **creation of an Erasmus Culture** in the Flagship Initiative “Youth on the Move” of EU 2020 Strategy.

An example of good practice in Portugal is **InovArt**, a measure designed for young people under 35 years old, unemployed or looking for a first job, with artistic skills, wishing to carry out a scholarship of 3 to 9 months in a foreign country.

Access to funding

Questions:

- How to stimulate private investment and improve CCIs access to finance? Is there added value for financial instruments at the EU level to support and complement efforts made at national and regional levels? If yes, how?
- How to improve the investment readiness of CCI companies? Which specific measures could be taken and at which level (regional, national, European)?

The use of venture capital remains underdeveloped in the EU as a whole, with several Member States lagging behind. It remains essential to carry out a comprehensive analysis to the venture capital markets across the EU, to identify and devise appropriate policy instruments.

The lack of information and understanding about relevant sources of finance, the excessive bureaucracy in the access to finance, the lack of management ability, the difficulty in developing and presenting a business plan in a convincing way or the reliance on a failing business model are constraints to creative start-ups.



MINISTÉRIO DOS NEGÓCIOS ESTRANGEIROS
Direcção-Geral dos Assuntos Europeus

Therefore, simplification of procedures and the establishment of specific credit lines and guarantees schemes for CCIs start-ups, as well as advisory services are important measures to be implemented to stimulate private investment and improve CCIs access to finance.

In this sense, all measures designed to take into account the CCIs' sector specificities and to ease the access of CCIs' micro and small enterprises to the sub-programme Entrepreneurship and Innovation Programme (EIP) of the Competitiveness and Innovation Framework Programme (CIP) will be welcome.

. Clearly, there is room for the reasonability and desirability of UE funding given community added value associated with international/cross border projects, internships, institutional partnerships, pan-European value of open repositories to cultural heritage and other public held content, EU cohesion policy.

LOCAL AND REGIONAL DEVELOPMENT AS A LAUNCHPAD FOR GLOBAL SUCCESS

Local and regional dimension

Question:

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

Partnerships are a key factor to promote the exchange and implementation of ideas and practices among all stakeholders – enterprises, cultural institutions, cultural centres, artists, education and training organisations, including art schools/universities, science parks, research centres, public services, autarchies and media.

Policies to support clustering are important to strengthen the creative critical mass at local and regional level. At European level initiatives are needed to promote more adequate framework conditions to international cooperation, e.g. financial support through Entrepreneurship and Innovation Programme (EIP) / Competitiveness and Innovation Framework Programme (CIP), in order to encourage the emergence of world-class clusters in cultural and creative sectors.

Mobility and the circulation of cultural and creative works

Question:

- 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



MINISTÉRIO DOS NEGÓCIOS ESTRANGEIROS
Direcção-Geral dos Assuntos Europeus

virtual mobility and online access contribute to these objectives?

European policies and programmes should be designed in a way that enables cross-border circulation of creative works, artists and cultural practitioners within the European Union and beyond, digitisation of cultural patrimony and virtual mobility between creators/producers and citizens/consumers.

Digitisation is a key instrument for mobilizing online access and virtual mobility to promote cultural diversity through cultural and creative works, artists, and culture professionals mobility, inside and outside the European Union.

The digitisation of European cultural heritage requires interoperability, open access through the Internet, and public incentives/funding. But, for it to be effective, it is necessary a massive digitisation effort of European cultural heritage, books and others (like images of museological contents, audiovisual and press archives) in all European regions/throughout all Europe to include small and large libraries and museums. Interoperable technical formats and open standards must be adopted, and public incentives should be provided for a common digitisation effort both at Member State and EU levels.

A large scale programme must be launched to ensure a fast and comprehensive digitisation of the European cultural heritage, taking into account the above elements.

The open access to the digital cultural heritage should be done through the Internet. A large European massive digitisation programme would provide an important stimulus to companies, in particular to SMEs specialized in digitisation – and this is an important economic component of providing an adequate public infrastructure for the content industry and for CCI.

Finally, such a European large scale digitisation programme could count on voluntary work of NGOs, schools, and citizens, providing a very interesting opportunity for a movement of European citizenship. Of course, such an initiative requires good governance, organization and quality control, to be provided by public institutions responsible for the cultural heritage in the Member States.

In this respect, attention should also be given to the **outermost regions** so as to facilitate their participation in innovative and creative initiatives. Specific difficulties encountered by those regions (e.g. integration artists and cultural practitioners in European networks, geographical distance and associated costs, efforts to keep highly qualified workforce) should be balanced by tailored measures to help foster their innovation and creativity potential and improve the competitiveness of local cultural and creative industries.



MINISTÉRIO DOS NEGÓCIOS ESTRANGEIROS
Direcção-Geral dos Assuntos Europeus

Cultural exchanges and international trade

Question:

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

Exchange of best practices with third countries and blocks regarding specific support to cultural and creative industries should be promoted, namely through the **dissemination of studies, surveys, impact assessment** of programmes and initiatives already developed, provided that this is not taken by policy makers as a stimulus to mutual imitation, instead of highlighting regional, sector or technological specific idiosyncrasies of cultural and creative sector. This could be especially useful when tackling cultural issues.

An improved framework for **Intellectual Property Rights** that protects and promotes ideas and creativity is particularly important for a future strategy that intends to reinforce cooperation, exchanges and trade between the EU CCIs and third countries and to **fight counterfeiting and piracy**. To promote creativity, an appropriate balance between the protection of the author/creator's rights and the access to knowledge has to be found and will be important in fostering creativity and innovation.

TOWARDS A CREATIVE ECONOMY: THE SPILLOVERS OF CCIs

Questions:

- How to accelerate the spill-over effects of CCIs on other industries and society at large? How can effective mechanisms for such knowledge diffusion be developed and implemented?
- How can "creative partnerships" be promoted between CCIs and education institutions / businesses / administrations?
- How to support the better use of existing intermediaries and the development of a variety of intermediaries acting as an interface between artistic and creative communities and CCIs on the one hand, and education institutions / businesses and administrations, on the other hand?

The ICT, in particular the Internet, allow a widespread sharing of CCI services and products, as they provide a natural and easy vehicle for the dissemination of cultural content. The open sharing of knowledge and culture through the Internet is a priority in the digital era. Tools such as the *Creative Commons* licenses facilitate the communication of legal conditions underlying the sharing, reuse and transformation of cultural, educational and scientific works.



MINISTÉRIO DOS NEGÓCIOS ESTRANGEIROS
Direcção-Geral dos Assuntos Europeus

Several of the policy instruments and projects mentioned above can serve as a best practice for promoting partnerships between CCI and higher education institutions – as the Austin the University of Texas Austin – Portugal Program (<http://www.utaustinportugal.org/>). The best way to foster cooperation between CCI and higher education institutions and business sector is to promote these joint “creative partnerships” to launch new advanced educational programmes and to develop creative cities/communities and improve talent attraction strategies.

Spillover effects of CCIs on other industries and society at large can be accelerated through the development of creative partnerships between the cultural sector and other sectors, e.g. ICT, research, tourism, social partners, etc., aiming at reinforcing economic and social impact from investments made in culture and creativity projects/initiatives.

Migrant communities play an extremely important role in the fight against poverty and social exclusion, given their ability to entrepreneurship and risk taking; bringing new cultures and the customs of their own countries they also give an important contribution to the intercultural enrichment.

To better match the needs of market, cultural and creative components, as well as other technical/technological components should be introduced in the education curricula in close collaboration with CCIs.

Partnerships between public administration and CCIs are important to fit lifelong learning policies to skills needed by CCIs. This will give new opportunities to the unemployed and play an important role in the restructuring of industrial sectors in difficulty.

According to market needs, finance sources such as venture capital and guarantees should be available to support partnerships, networks and clusters, involving local and regional entities.

The setting-up of networks involving representatives from public sector (administrations from different Ministries) and private sector, namely through business associations can give a substantial contribution to enhance knowledge diffusion, namely as regards information about European and national programmes and initiatives.

The organisation of Working Sessions joining businesses from the cultural and creative sector, investors and the public sector acting as facilitator can help identify the strengths, weaknesses and opportunities for the CCIs' sector. The existing intermediaries should act as a platform to facilitate networking and cooperation between all these actors.

An improved use of the European network “Enterprise Europe Network” by the CCIs' stakeholders should be promoted, aiming at the diffusion of knowledge and good



MINISTÉRIO DOS NEGÓCIOS ESTRANGEIROS
Direcção-Geral dos Assuntos Europeus

practices and the promotion of contacts between the different entities, acting as an intermediary in the interface between CCIs, education institutions and public administration.