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Smart atmospheres of social and financial innovation for innovative clustering of creative industries in MED area

D.4.3.1 THE ACTION PLAN

Outlining Policy Recommendations

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Introduction

The European Commission recently stated that "Cultural and creative sectors are important for ensuring the continued development of societies and are at the heart of the creative economy. Knowledge-intensive and based on individual creativity and talent, they generate considerable economic wealth. More importantly, they are critical to a shared sense of European identity, culture and values. In economic terms, they show above-average growth and create jobs - particularly for young people - while strengthening social cohesion"[1]. The emphasis on the fundamental role that cultural and creative sectors have towards ensuring social cohesion was placed in 2018 with the document "A new agenda for Culture", where it states that "Europe faces growing social inequalities, diverse populations, populism, radicalisation, and terrorist threats. New technologies and digital communication are transforming societies, changing lifestyles, consumption patterns and power relationships in economic value chains. In this changing landscape, the role of culture is more important than ever"[2].

On the other side, European countries are aware that "there is a lot of untapped potential in the cultural and creative industries to create growth and jobs and Europe must identify and invest in new sources of smart, sustainable and inclusive growth drivers to put in place the right conditions for creativity and innovation to flourish in a new entrepreneurial culture (Green Paper - Unlocking the potential of cultural and creative industries COM/2010/0183).

The SMATH Project: vision, objectives, results

Those assumptions above, among others, led to the SMATH project design and implementation.

Approved in the framework of the MED Territorial Cooperation Programme, SMATH identifies and tackles the territorial challenge in overcoming the gap between the theoretical conjunction of the cultural and creative sectors and the lack of real connections between the two sectors in practice. This was done via innovative clustering based on the quantitative and qualitative increase in the dialog between cultural engines[3] and creative industries on one side, and fine tuning of the value enhancing

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[1] https://ec.europa.eu/culture/sectors/cultural-and-creative-sectors

[2] https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52018DC0267&from=EN

[3] In the framework of SMATH Project, the following classification was agreed: • *Cultural engines*: Theatres, Museum & cultural tangible heritage, Cultural events/traditional events, Performing arts, etc.); • *Creative Industries Operators*: Industries that develop products and services (arts/antiques trade; architecture; fashion; publishing; advertising; crafts); Industries that develop creative

service to the specific needs of creative industries on the other. The combination of the two: increased dialog and the fine tuning of the value enhancing services generate a ***smart atmosphere***. Smart atmosphere equals innovative clustering, as the dynamic product of the relations between "culture factories" and "value enhancing services" involved in local clusters able to increase transnational activity of CCIs is one of the key sectors of the MED area[4].

SMATH raises awareness of the need to better connect cultural productions and business interests in order to fully develop the potential of creative industries and tested local tailored made initiatives in order to bolster the sector. Culture and creativity sectors, twins in theory, in practice tend to operate within distinct modes of production that may even diverge. The project capitalizes on this evidence *to shape a new, specific spirit of collaboration between culture and creativity.* ***Social innovation[5] is proposed as the trigger of such an improved connection***, implemented with the creation of Smart Atmospheres. It is through the multiplication of social ties and the strengthening of relational bonding that smart atmospheres are generated. In particular, the objective is to embed in richer collaborative atmospheres the two aggregates of "cultural engines" and "value enhancing services". Such social innovation has been sustained with greater mutual knowledge, cross-fertilization and a highly focused development of practice-based models and tools.

An experience based on local concrete experimentations

The above mentioned approach was not mere theory. SMATH partners activated a deep testing in 8 different contexts, where local Creative NESTs had been designed, activated and prepared for local experimentations. In a preliminary phase, to ensure a proper grounding of the SMATH actions on each of the local contexts' realities, all Nests have investigated their cultural landscape and creative industries, mapped out the key sectors and areas within these creative industries and cultural cores that will be instrumental to the project's success, and synthesized a number of critically important insights that will shape the deployment and execution of the SMATH pilots. This information provided a solid basis for each project pilot to proceed with the implementation of the Creative Nest's activity and enabled a strong alignment with the needs, expectations and interests of their community of creative and cultural operators. The figure below summarizes and localizes the 8 Creative NESTS activated in the framework of the SMATH project:

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expression products (music; visual and performing arts; film and photography; radio and TV); Industries relying on technology and ICT (internet and software; digital game and animation; graphic and web design). Those industries can have different legal forms (SMEs, Associations, artists, performers, single entrepreneurs, cooperatives).

[4] From the SMATH Handbook.

[5] Social innovation means developing new ideas, services and models to better address social issues. It invites input from public and private actors, including civil society, to improve social services (European Union definition: see https://ec.europa.eu/social/main.jsp?catId=1022&langId=en)

For each of the 8 NESTS a specific "sustainability plan" was developed, starting from the results achieved as well as from the feedback collected during the experimentation. This approach enabled the SMATH partnership to anchor results on a solid ground.

Results achieved

SMATH project achieved 4 main results:

1. Raised awareness on practice-based solutions boosting the potential of culture for creative industries: misleading quick-fixes and automatisms often contained in abstract models, the project replaced these experiences with evidence-based approaches based on specific analysis conducted at the local and regional level. This generated repertoires of narratives and cases outlining both the good practices and the complexities of combining cultural production with business orientation. Involved SMEs in particular are now able to use such awareness to fully capture and exploit in innovative ways the potential of culture-based approaches. Policy makers may profit now from a knowledge base for designing less generic instruments for the development of creative industries.

2. Activated processes and models of social innovation tailored to the peculiar characteristics and needs of SME in the creative sector: creative nests, developed in the project partners territories are the physical and symbolic spaces in which Smart Atmospheres are activated and generate positive spillovers. The project set up a richer collaborative fully blown cultural atmosphere shaped as an

innovative cluster that caused moments of dialog and comparison between the two aggregates of "cultural engines" and "value enhancing services". Continuous relational bonding between the cultural engines and creative industries occurred and stabilized this atmosphere that stops being something sporadic and becomes permanent, a proper change.

3. More effective transmission of cultural content to creative industries obtained. The project enabled CCIs to express the full potential of cultural engines to boost their power, in order for them to truly act as the fundamental fuel of creative industries. This was done via innovative clustering based on the increase in the quantity and quality of dialog between cultural engines and creative industries on one side and fine tuning of the value enhancing service to the specific needs of creative industries. While the dialog generated from models of smart atmosphere, the fine tuning had been done by setting-up a network of investors able to cooperate and to support the CCIs sectors with a variety of financial instruments tailor-made to CCIs needs and able to maximise their potentialities of growth.

4. More focused administrative capacity within local and regional governments generated. Knowledge transfer to public officials improved the capacity of local governments to intervene and promote culture and creativity based economic development. Through training courses, meeting and actions of sensibilization the local and regional administrative authorities gained better understanding of the need and modes to govern the continuation of smart atmospheres.

Data, best practices, models, methodologies and concrete solutions testing actions within SMATH project generated significant knowledge. This knowledge will be turned into concrete strategies and actions, listed in the present Action Plan.

The next paragraph presents a general overview of the objectives and structure of the SMATH Action Plan, while the next chapter will go deep into details, by tackling the need for a more intensive and coordinated action, at EU level as well as at National / Regional level, to enable the establishment of more favourable conditions for CC actors to operate and grow.

The Action Plan: objectives and structure

General and specific objectives

How to strengthen the impact of CCIs on the Mediterranean area economy and its relation with social innovation?

Answering this question is the main objective of the Action Plan of SMATH project, supervised by the Veneto Region Department for Heritage, Cultural Activities and Sport (IT) on behalf of the whole partnership, in collaboration with the Department for Culture and Sports of Friuli Venezia Giulia Autonomous Region (IT), WP Leader of the Action 4.3.

The question immediately reveals two interrelated scenarios, represented in the picture here below:

The key of "social innovation" is widely recognised as crucial for the empowering of CC sectors. In the document THE VALUE OF CULTURE AND THE CREATIVE INDUSTRIES IN LOCAL DEVELOPMENT, OECD stated that "Culture is the fundamental bond of communities and the foundation of what makes us human". The EU Rome Declaration of 2017 recognises culture as being among the building blocks of the future of Europe and even before this, in 2010, the Mexico City Declaration by the United Cities and Local Government Organisation had called for the inclusion of culture as the fourth pillar in the global sustainable development model. This is because it was generally felt that *the three dimensions of economic growth, social inclusion and environmental balance alone could not reflect the complexity of contemporary society*[6]. A significant step towards the consolidation of this approach was the discussions about re-skilling which took place at the 2018 World Economic Forum in Davos, where policy makers called for a move from STEM skills (Science, Technology, Engineering and Mathematics) to STEAM (plus Arts), with the understanding that the more cultural experiences young people have at school, the more confident they will feel about their aspirations, and more tolerant of social and cultural differences[7]. As those examples demonstrate, it is evident the recognition of cultural assets and creativity as universal languages to favour networking and cooperation as well as inclusion independently from social, economic, geographic diversities.

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[6] https://www.uclg.org/

[7] https://www.oecd.org/cfe/leed/2018-SACCI-Handbook.pdf

Following this approach, and based on the important knowledge, in terms of data, research, network and deliverable developed during the SMATH Project lifetime, as well as on the contents and information collected in the following chapter, the present Action Plan intends:

ACTION PLAN GENERAL OBJECTIVE	to explore and define the ***intersection between Cultural and Creative economy and Social Innovation***, in order to give advice and recommendations able to generate a fertile ground for the development of many other "Smart Atmospheres" in Mediterranean Area and, generally, in all the European Union territory.

The above mentioned general objective will be achieved by analysing:

- the coherence and the alignment of the most relevant policy instruments at European level in line with the general objective of the SMATH Project and with the vision of the present Action Plan in particular, with a detailed excursus on International level dimension: the scope of this section of the Action Plan is to represent the frame and the environment in which CC actors are inserted and need to develop their activities;

- the possibilities represented by the available and soon to come financial instruments at European and national level towards the connection between Cultural and Creative sectors and social innovation and some outstanding initiatives relevant for the sector: to do so, a detailed review of the most relevant programmes addressing the cultural and creative sectors at European level concerning the 2021 - 2027 Programming Period will be performed, including the latest updates related to the recent COVID-19 crisis, in order to enable the Action Plan to become a sort of "Roadmap" for supporting CCI attracting further financial contributions and investments as well as for generating new opportunities for international exchanges and cross-fertilization;

- the potential of Cultural and Creative sectors "per se" as well as their impacts on other economic spheres, such as local development and tourism, social inclusion, technological innovation, urban regeneration, green economy, education, agriculture, etc…

As anticipated, this analysis was based on the work done during the SMATH project's implementation, with a specific focus on: 1) definition and aims of "smart atmosphere" concept; 2) results deriving from

the experimentation of the local nests, in terms of feasibility, efficacy and sustainability; 3) answers to questionnaires referred to action 4.2.1 on the strategic role of CCIs for the development of Med Area with a focus on social innovation; 4) Recommendations from the Model Agreement about Public-Private Collaboration to Boost the Creative Economy, referred to action 4.2.4.

So said, the **specific objectives** of the present Action Plan may be declined along 3 main "fields" for which the Plan can be relevant. Consequently, each of the fields selected has a "preferred target" (even if not unique), indicated in the bottom of the following table:

ACTION PLAN SPECIFIC OBJECTIVES		
Policies Definition	**Operative decision making**	**Capacity building**
to help national and regional decision makers to better regulate and deploy favourable environments for CC sectors development and networking	to orient the action of CC actors, within the cultural and creative environment and outside (traditional SMEs), towards a more impact-based approach	to increase the knowledge of both policy makers and CC actors about the existing legal and financial framework for the CCS
mainly *policy makers*	*mainly CC actors* *and traditional SMEs*	*both policy makers* *and CC actors*
MAIN TARGETS		

The rationale of the document

The first Chapter as anticipated, will turn knowledge acquired both during the SMATH project's lifetime and with the development of the present Action Plan into strategies. The information collected will be translated into "objectives and actions" to be ideally implemented in a medium - long term scenario (five years) and will be declined into Recommendations aiming at facilitating the generation of new policies or projects in the MED area.

The second Chapter, is dedicated to a detailed compendium of the most relevant policies at European and International level having a focus, direct or indirect, on Cultural and Creative sectors. This compendium is introduced by a short glossary clarifying the most relevant concept and words used in the Action Plan, in order to reduce the possible misunderstandings, not so unusual in the sector. After the policies, a brief overlook to the soon to come most important EU/national financial instruments targeting, directly or indirectly, the Cultural and Creative actors at European level are presented. An important specification has to be made, because we are gazing the near future of the next programming period (2021 - 2027), which also due to the Pandemic interference is currently under negotiations and no final documents are actually available (Operative Programmes, Guidelines, Priorities, Regulations). However the document will provide relevant information for the CC operator willing to understand which opportunities for financial and non-financial support (Grants, Loans, training etc.) are now in place. Finally, an overview of the most relevant networks in the field of culture and creativity at European level will offer the reader the opportunity to be involved in permanent cooperation structures, often a crucial activity for influencing policies or attracting funds.

The SMATH Action Plan

The rationale of the present Action Plan is built around the consideration that Cultural and Creative economy may be enforced by acting on a twofold basis: from one side, the action should be targeted to the Cultural and Creative Sectors (CCS) themselves, intended as a single and specific economic field as well as a "system" in which cultural engines and creative actors must increase their reciprocal relationships and cooperation, mainly through social innovation. From the other side, the action should be targeted to the synergies between the Cultural and Creative Sectors (and actors) and the other economic fields (such as tourism, social services, AI etc.), in order to maximize the positive impact of cultural heritage and creativity, to enable CC actors to widen their markets and, most important, to help economies to "generate innovation" and to be more resilient and inclusive.
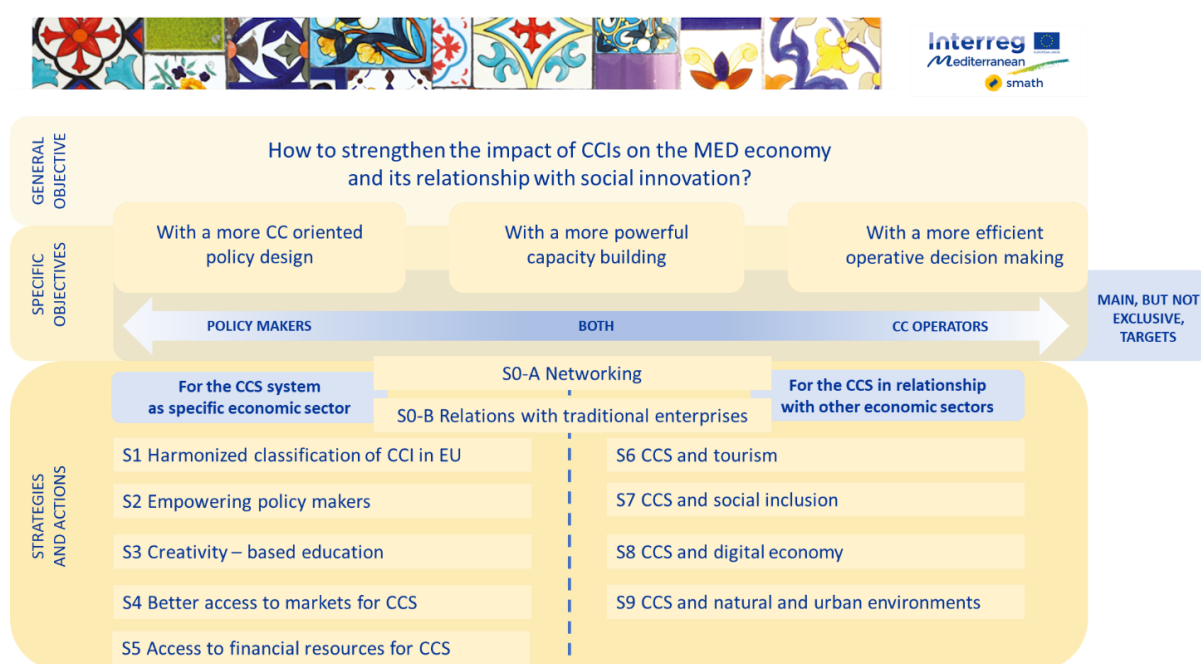
For these reasons, the present chapter is divided in 2 different sections and, for each section, strategy and actions are defined, together with the indication of "which policy level" is the most appropriate for producing changes. The end of the chapter will summarize the strategies and actions defined in order to have a clearer view of the whole structure of the Action Plan. Before introducing the two sections, we would like to drive the attention to a fundamental prerequisite for the success of the strategies and actions proposed in this Action Plan: the **networking capacity** of the CC actors.

The networking capacity as a prerequisite for the success of the Action Plan

The following section explores the relevance for the empowerment of the cultural and creative sectors of the networking capacity, intended both as the capacity to cooperate with other cultural and creative actors in CC ecosystems as well as the ability to build strong and fruitful cooperation with other economic sectors. SMATH project's core outcome is the generation of "creative nests" characterized by smart atmospheres. As indicated in the SMATH Handbook, *"creative nests are a catalyst for social innovation, initiating processes and intensifying underlined relationships among subjects of the cultural industries and the value enhancing services. The project will set up a richer collaborative fully blown cultural*

atmosphere shaped as an innovative cluster that will cause <u>moments dialog and comparison</u> between the two aggregates of "cultural engines" and "value enhancing services". Continuous <u>relational bonding</u> between the cultural engines and creative industries starts and stabilizes this atmosphere that stops being something sporadic and becomes permanent, a proper change.". Relationships, dialogues and relational bonding, declined along a social innovation approach and perspective, are the basis for generating a positive change. Based on this, a first strategic approach (S0) was identified as the prerequisite for all the other strategies and actions included in the following sections:

Strategy	Actions	Policy Level
	S0/A = NETWORKING AMONG CCS	
S0 to favour the development of "creative nests" able to cooperate with other economic sectors	0A.1 adapting the <u>*priorities of the next programming period*</u> (2021 - 2027) in order to favouring the creation or of "networks of cultural and creative enterprises" (ie. ERDF) or their empowerment (ie. ESF)	Regional, Local
	0A.2 placing <u>*social innovation*</u> as a glue for strengthening cultural and creative clusters and for increasing their quality, sustainability and ready-to-market value chain	National, Regional, Local
	0A.3 promoting <u>*network-oriented rewarding systems*</u> for tendering and / or public procurements, where the ability of creating network is a value, also at local level	Regional, Local
	0A.4 favouring the generation of <u>*new solutions, products and services*</u> based on the cooperation between creative SMEs and cultural engines	Regional, Local
	0A.5 designing public procurements and call for tenders / proposals <u>*awarding networking among CCS as an added value*</u> in the project/service assessment;	Regional, Local
	S0/B = NETWORKING WITH TRADITIONAL ENTERPRISES	
	0B.1 paving the way for a <u>*stronger relationship between traditional enterprises and cultural and creative economy*</u> based on creative thinking (contamination between schools, research, CC actors and traditional enterprises)	All levels

	0B.2 creating the new profile and CV of the _"cultural - creative clusters manager"_ at local level, with the aim of guiding the process of networking and of favouring the connections between cultural engines, value enhancing services and other traditional economic sectors;...	National, Regional, Local
	0B.3 introducing a more effective _use of STEAM approach in schools_, in order to equip students with a vision able to turn creativity and cultural heritage into applicable market-oriented solutions or business proposals	National, Regional
	0B.4 establish or make permanent fruitful EU level _facilitators experiences delivering financial and nonfinancial support_, in order to enhance cross-sectorial and multidisciplinary collaboration among CC and not CC actors, fostering hybridization among them	European

Cultural engines and value enhancing services must increase their level of cooperation, internally and towards other economic sectors. The concept of network here is intended in a broad sense, not simply connected to the spatial concept of "clustering", since the benefit of cooperation are not simply delivered by mere co-location of organizations, but more strongly developed through the establishing of collaborative networks[8]. This is true (an feasible) nowadays, in an always more digital and interconnected world, where the market is the entire globe and the relevance of spatial distances is very weak.

Strategies and actions for the Cultural and Creative Sectors (CCS) itself

As anticipated, the first section of the SMATH Action Plan explores the most efficient strategies and actions which can be performed in order to make the Cultural and Creative economy stronger "by itself", as a specific and peculiar economic sector. The next section will explore how Cultural and Creative economy may grow in relation with other economic sectors instead.

Need for an harmonized definition and classification at EU level

According to a UNESCO study, the concept of cultural industry, understood as creation, industrial reproduction and mass distribution of cultural works, is not new. The term was coined in 1948 by T. Adorno and M. Horkheimer. In the 1990s, in Australia and the United Kingdom, the concept evolved

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[8] Comunian R (2012) Exploring the role of networks in the creative economy of North East England: economic and cultural dynamics, in Encounters and Engagement between Economic Cultural Geography (edited by Barney Warf), Springer, pp.143-157.

further towards that of a "creative economy". The creative economy focuses on creativity and presents it as an engine for innovation, technological change and as a comparative advantage in business development. This has led to the introduction and use of the term "creative industry" in policy development environments .

The European reference document for a definition of the CULTURAL AND CREATIVE SECTOR (CCS) is contained in Regulation (EU) No 1295/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 December 2013, which reads as follows:

> *(...) all sectors whose activities are based on cultural values and/or artistic and other creative expressions, whether or not these activities are market-oriented, irrespective of the type of structure which implements them, and irrespective of the way in which this structure is financed. These activities include the development, creation, production, dissemination and preservation of goods and services which constitute cultural, artistic or other creative expressions, as well as related functions such as education or management.*

Based on this regulation, the cultural and creative sectors include:

1. architecture

2. archives

3. libraries and museums

4. artistic craftsmanship

5. audio-visual media (including films, television, video games and multimedia content),

6. the tangible and intangible cultural heritage

7. the design

8. festivals

9. music

10. literature

11. the performing arts

12. publishing

13. the radio

14. the visual arts

Over the years, however, and often in relationship with the territory / context in which it was applied, the concept of CCS has been declined along different approaches. As an example, while in Northern Europe the approach to this sector is more "technology-driven", linked to the more recent and less traditional aspects of the creative sector, the countries of Central and Southern Europe, on the other

hand, show a clear orientation towards activities linked to cultural heritage, "heritage-driven", and focus more on traditional cultural and creative enterprises.

But different approaches derive also from the complexity of the sector itself: most of the times, the concept of CCS has been extended from the traditional artistic areas (visual arts, performing arts, literature, music… the one that in SMATH project is called "cultural engine") to other areas which can be considered "border line", such as the food industry, the tourism sector and the artistic craftsmanship. The latter is particularly difficult to "detect and encode" as a Cultural and Creative activity, since it usually refers to other "non CC categories", such as metal processing, wood processing, tissues processing, etc… Moreover, the traditional industries themselves are getting closer and closer to the creative sector, creating interesting hybridizations.

For these reasons, the SMATH project considers the following action's field a crucial one:

Strategy	Actions	Policy Level
S1 = to harmonize the classification of Cultural and Creative actors in Europe	1.1 agreeing on _shared criteria for the classification of cultural and creative actors_ (enterprises, but also not for profit organization or associations), based on common classifications (ie. NACE - ATECO Codes)	EU, National

The _first problem_ linked to classification raises where there is no clear reference between the sector (one of the 14 sectors identified by the EU Regulation mentioned above) and the related NACE code Rev-2: this is true in particular for the sector n° 4 (artistic craftsmanship). The _second problem_ emerges where sectors other from the 14 sectors identified by the EU Regulation contain activities that may be considered "cultural and creative" ones (ie: wine-making, cultural tourism, creative food, etc…), but not mappable if considering only NACE codes Rev-2.

A comprehensive solution to these interrelated problems at EU level, adopted by all Member States, may ensure a more coherent policy planning and a more effective financial allocation of public resources towards the cultural and creative sectors.

Policy and regulatory environment: the "humus" for the CCS growth

Once agreed on the importance of a common methodology for the classification of the Cultural and Creative actors at European level, aligned with the single national-level regulations, the most important step towards the creation of a more favourable environment for CC actors in Europe, and in Mediterranean countries in particular, is the action on policies, regulations and programmes. Pretending to be exhaustive and complete in indicating the most suitable policies, regulations and programmes for strengthening the Cultural and Creative sectors in Europe and in the single member states (especially the Mediterranean ones) is out of the scope and possibilities of this document, but in the framework of this Action Plan we have isolated some fields of action which may be convenient to invest on:

Strategy	Actions	Policy Level
S2 = to empower policy makers, at all levels, in creating a favourable environment for CCIs	2.1 establishing new and more powerful _Public Private Partnership for cultural and creative sectors_, by promoting clustering (ie. Creative Nests and Smart Atmospheres) and hybridization networks	Regional (ESF and ERDF 2021 - 2027)
	2.2 designing _tailored made and non-occasional financial programmes_ supporting profit-oriented cooperation of creative SMEs and Cultural Engines in the start-up phase	European, National, Regional
	2.3 generating more occasions for _mutual learning and best practice exchange_ among public officers (local, regional, national) about both transferable policies and replicable actions	All levels

A better and more shared classification of CC actors in Europe (see S1) will enable decision makers to apply a coherent decision making process, based on comparable datasets and on realistic scenarios, and will be very useful also for the achievement of S2.

The educational system is the "energy"

The educational system, from primary to tertiary education, must be considered as the "fuel" for the functioning of CC enabling environments as well as for the generation of smart atmospheres. In this framework, **creativity in particular should be recognized as a crucial skill for students** in order to better face the increasing request of innovation in all sectors and, in general, to improve their resilience and their ability to create and profit from networking and cooperation. These assumptions are confirmed by a recent research of OECD[1] where it is stated that _"creativity and critical thinking are key skills for complex, globalised and increasingly digitalised economies and societies. While teachers and education policy makers consider creativity and critical thinking as important learning goals, it is still unclear to many what it means to develop these skills in a school setting"_.

Aware of the importance of creativity as a transversal skills for pupils and students, the SMATH project considers the following action's field a crucial one:

Strategy	Actions	Policy Level
S3 = to recognize "creativity-based education" as a pillar	3.1 Equipping more students with _creativity as a fundamental transversal skill_, independently from the school's path, reshaping curricula in this perspective	National

for the future educational systems in Europe	3.2 Improving the use of _educational methodologies using creativity as a tool_, especially in secondary and high schools: design thinking, creative thinking, problem solving,	National, Regional, Local
	3.3 Favouring the adoption of _creativity-based approaches in the school-work experiences_, focused on "problem solving" and on "critical-thinking" models potentially leading to business ideas or innovations, in opposition to the conventional repetitive work experiences.	National, Regional, Local

Creativity and problem solving based education should be included in the educational programmes at all educational levels, from primary schools to higher education, with the provision of specific tools and methodologies adapted to the age of the students.

One of the most relevant approaches in this field is **STEAM Education** (Science, Technology, Engineering, the Arts, and Math), an approach originating from STEM when, in the 1990s, schools wanted to provide students with more access to science, technology, engineering and math; in fact, STEAM derives from the assumption that "_Students need more in-depth knowledge of math and science, **plus** the ability to integrate and apply that knowledge to solve the challenges facing our nation[9]_". This is a great recognition of arts (culture, creativity) as a fundamental transversal skill for improving the ability of students to innovate and to be resilient.

In this sense, projects and interesting experiences have been developed all over Europe but a real approach change of the education system, which should be reflected in students curricula, is far to come. So important efforts should be made to boost this "revolution" as if the CC sector will benefit from it, it is also clear that all productive sectors will, because it will help people elaborating the complexity of the present and eliminating barriers among sectors and the tendency of approaching work and innovation by sector and not by possibilities.

Access to market for CC products and services

European CCS have been demonstrating economic growth and competitiveness in most EU countries. Total employment in CCS in Europe amounts to more than 6.7 million employees in 2016[10]. In most EU countries between 2008 and 2016, companies in the CCS experienced an overall positive growth

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[9] https://www.edweek.org/tm/articles/2014/11/18/ctq-jolly-stem-vs-steam.html

[10] https://www.europarl.europa.eu/RegData/etudes/STUD/2019/629203/IPOL_STU(2019)629203_EN.pdf

(+4.3%), reaching at least a 10% share of the total number of companies in the business services sector (2.45 million companies in 2016)[11].

Dealing with "access to market" for CCS means having to do with "audience empowerment and enlargement", which is strictly connected with the need for "increasing buyers" of cultural products and services. This game must be played now in a "digitalized world", where markets are without borders and potential clients may be located everywhere in the world. The EU28 is the largest exporter of creative goods among developed regions with France, Italy, United Kingdom, Germany, Netherlands, Poland, Belgium among the top ten creative goods exporters[12]. So said, the SMATH project considers the following as crucial actions to be performed:

Strategy	Actions	Policy Level
S4 = to improve the access to markets for CC products and services	4.1 increasing the _visibility of CC actors services and products in regional, national and international markets_, including more efficient audience development actions	All levels
	4.2 considering medium-big CC players able to operate at national / international level and small-micro actors operating at local level as _distinct targets for CC policies_	European, National, Regional
	4.3 supporting CC actors, especially the so called "cultural engines", _acquiring digital skills_ and competences to reach new market shares and to be more resilient	National, Regional
	4.4 favouring the _merging between CCIs services and products with other productive sectors_, such as tourism, health, education, social inclusion, etc.	European, National, Regional

It is quite evident that these kinds of assumptions are true for a specific branch of the cultural and creative actors (medium-big cultural and creative enterprises with an high level of digitalization), but are not really applicable to small and micro cultural and creative actors operating in a local context: a comprehensive Action Plan must consider both the categories, since the second is crucial for the local development and for the local tangible and intangible heritage valorisation and protection.

Nowadays the access to markets, especially in emergency situations like the COVID-19 pandemic, is strictly linked to ICT and new technology developments. ICT provides new tools for the creation,

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[11] European Investment Fund(2019), Market analysis of the Cultural and Creative Sectors in Europe.

[12] UNCTAD (2018)

production and distribution of cultural and creative content, but it also changed the way people access, use and consume it.

This digital shift has influenced access to culture and participation, bringing opportunities and challenges with regard to both cultural production and consumption, by *transforming citizens from consumers to prosumers* (Toffler, 1980) and compelling consequently the cultural institutions to seek new, different and innovative tools and methods in order to attract (and re-attract) old and new audiences. We will explore the importance for the Cultural and Creative sectors to act in a digital environment in the specific S9 section below.

Capacity to access and to manage credit or other financial resources

Access to finance is a burning topic for many European Small and Medium Enterprises (SMEs) belonging to the "conventional" sector and is more challenging for the cultural and creative sectors. Some of the reasons are the intangible nature of their assets, the artesanal and interrelated profit and not-for-profit nature of many CC initiatives, the niche and local-based nature of some markets, and the lack of familiarity of the sector's specificities by the financiers[13].

The document "MARKET ANALYSIS OF THE CULTURAL AND CREATIVE SECTORS IN EUROPE - A sector to invest in "reveals that the funding mix of many CCS companies relies predominantly on own resources and public support: in terms of "personal resources", CCS suffer from lack of "own capital (e.g. equity)", which is a main hindrance for their growth, and self-financing remains the most important source of finance for most small and very small CCS organisations; in terms of "public funding", government funding is a very important source for enterprises in CCS (exceeding EUR 80 billion in 2014), in particular for large SMEs, even if public support has been constantly reduced since the 2008 financial crisis due to general public spending cuts. In fact, public investment in culture has suffered a great deal from the effects of the 2008 economic crisis. As a result, public expenditure in culture in the EU28 was reduced by 3% in the period 2007-2015, with the per capita numbers falling by 4.77% from 2007 to 2015. In 2016, the average expenditure on culture in the EU28 was 0.45% of GDP[14].

On the other hand, many economic analyses of the sector underlined the good growth perspectives and vocation towards investments. A very recent research (October 2019) of the Italian Bank "Intesa San Paolo"[15] on the CC sector reported that 67,2% of the companies interviewed will invest in the next

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[13] https://ec.europa.eu/digital-single-market/en/financial-guarantee-facility-culture-creative

[14] https://www.europarl.europa.eu/RegData/etudes/STUD/2019/629203/IPOL_STU(2019)629203_EN.pdf

[15] https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/comunicati-stampa-it/2019/10/CNT-05-0000000542420/CNT-05-000000054241F.pdf?id=CNT-05-000000054241F

3 years and 28,8% in a significant way. The issue of financial resources is central: more than half of companies resort to bank loans, especially medium-long term credit for the development of their business. Companies "demand" adequate financial instruments and qualified interlocutors able to understand their specificities.

As for the peculiarity of the sector and the heterogeneity of its actors, on the basis of the different sources of revenue, the research trace a distinction between cultural enterprises (where public contributions as a source of revenue prevailed, about 70% of the sample) and creative enterprises with business models closer to those of industry and related to the sale of products and/or services. So these aspects brings to the awareness that there is not a need but needs on the CC sector, which need to be answered with different financial proposals which take into consideration beneficiaries and sub-sectors.

Based on these general considerations, the SMATH action plan identified a specific strategy (S5) accompanied by 4 specific actions to be performed:

Strategy	Actions	Policy Level
S5 = to increase the capacity of cultural and creative actors to access to financial resources	5.1 shaping _new and more accessible tailored made financial instruments_ such as venture capital and guarantee funds, loans, incentives, calls for projects and calls for tenders mechanisms for enterprise in seed, early-stage and growth stage of development. Approaches and methods should be differentiated in consideration of the applicant profiles and sub CC sectors peculiarities	European, National, Regional
	5.2 promoting the creation of _new ad-hoc financial players or the specialization of the existent ones_, capable to read and analyse the peculiarities of the sectors and becoming a real interface for its actors (for ex. capable to valorise immaterial assets), also giving consultancy for their financial sustainability and pre-market assessments	European, national
	5.3 developing _communication and training campaigns among CC actors_ on the available financing mechanisms, such as crowdfunding, as well as on "cultural engines potentials" in generating joint business ideas	Regional, Local
	5.4 focusing on _enabling skills (business, sales & marketing management)_ of cultural and creative actors, especially small and micro enterprises and not for profit associations	National, Regional

	5.5 favouring the _aggregation of small and micro CC actors in more structured economic realities_ (companies, consortia, etc...) at local level, in order also to support scale-up initiatives which promote the sector as a whole	Regional, Local

The five specific actions proposed target both decision makers (5.1 and 5.2) and operators (5.3 and 5.4) and include possible actions for enabling better access to funding and, in general, for a better financial management of the cultural and creative actors, which should better support them during the natural fluctuation which could face. Starting from the **design of new financial instruments** (or from the updating of existing ones, in order to make them more accessible, especially for small and micro CC actors), the three other crucial steps are **information and capacity building** (giving CC actors the opportunity to get in contact with specific funding mechanisms), **empowerment** (giving CC actors the skills and competences required to apply for funding and to manage the related budget, also through the profile of the "business angels") and **networking** (giving CC actors the knowledge about how to cooperate and about the positive effects of collaboration, both between the CC sectors and between the CC sectors and the other economic fields).

In particular, as underlined in the "POLICY HANDBOOK on _"How to strategically use the EU support programmes, including Structural Funds, to foster the potential of culture for local, regional and national development and the spill-over effects on the wider economy?"_ of the World Trade Organization, (WTO), there is "a _crucial role to be played by public authorities – particularly regional authorities – in stimulating private investment and promoting public private partnerships for the benefit of their CCI SMEs, notably through guarantee mechanisms or venture capital funds"_[16].

Cultural and Creative system and other economic sectors

The importance of the cross-fertilization between CCS and other economic sectors, especially inclusive tourism, social cohesion and urban regeneration, is evident in general, but it is specifically crucial for SMATH project, since the local experimentations with the creative NESTS operated exactly in these fields. In the Council conclusions on cultural and creative crossovers to stimulate innovation, economic sustainability and social inclusion (2015/C 172/04), the European Union acknowledged that _"the cultural and creative sectors are a source of both cultural and economic value (but) their broader contribution has not yet been fully recognised, notably in terms of the potential of culture and artistic creativity to trigger innovation in other sectors of the economy, in society as a whole, and for the well-being of individuals. The crossovers between the cultural and creative sectors and other sectors can be understood as a process of **combining knowledge and skills specific to the cultural and creative sectors together with those of other sectors** in order to generate innovative and intelligent solutions_

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https://s3platform.jrc.ec.europa.eu/documents/20182/84453/120420_CCI_Policy_Handbook_%28FINAL%29.pdf/3a645b54-4d8e-4cf9-95f9-bf60658cf5b2

for today's societal challenges". Connecting creative capabilities with other fields of activity has demonstrated positive effects on economic activities, economic performance and job creation[17].

Anyway, benefits are reciprocal. If, from one side, other sectors may innovate and become more resilient thanks to the combination of traditional knowledge with cultural and creative skills, from the other side Cultural and Creative actors may widen their networks and offerts and consequently expand their markets. Again, the European Union (Council conclusions: culture and creative crossovers) is clear about the recommended actions to be taken in this field:

EU and at national levels	*National levels*
- raising awareness of the value of creativity and innovation amongst all interested and affected parties; - better integrating cultural and artistic creativity into strategies in other policy areas; - creating environments where different sectors can interact, such as innovation and business centres and networking programmes; - encouraging the cultural and creative sectors to take advantage of the opportunities of the digital single market.	- encouraging crossovers at local and regional levels; - promoting conditions which will allow the cultural and creative sectors to maximise their potential when working in partnerships with other sectors.

Again the European Union, in the framework of the New European Agenda for Culture (2018) declared also that one of the strategic objectives is to increase the *"contribution of culture to the competitiveness of European industry by including the creativity and critical thinking of artists (and more generally culture) in the process of converting technological and scientific knowledge into products and services"*.

So said, it is of utmost importance the definition of strategies and actions specifically aiming at increasing the cross-fertilization between CCS and other economic sectors. For this reason, we decided to dedicate the second section of the Chapter 2 of SMATH Action Plan to this connection and, in particular, to answer the question "how to increase the relationship between cultural and creative sectors and local development (tourism), social inclusion, technological innovation, environment and urban-rural relationship (regeneration).

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[17] Austrian Institute for SME Research and VVA Europe (2016) Boosting the competitiveness of cultural and creative industries for growth and jobs, European Commission DG GROW.

CCS and local development: the example of the tourism sector

It is estimated that cultural tourism accounts for 40% of all European tourism 4 out of 10 tourists choose their destination based on its cultural offering[18]. This data is impressive enough to understand the value of culture and creativity in the tourism economy, but the link between the two spheres is enlightened by several declarations and statements. The European Union *"recognises the **importance of culture as part of the European tourism experience** and as an element that can enhance the profile of Europe as a global destination (...) and promotes a balanced approach between the needs to boost growth on one side, and the preservation of artefacts, historical sites, and local traditions on the other[19]"*. This declaration is of utmost importance, since it clarifies the fundamental connection between "cultural tourism" and "sustainable tourism", underlining the positive role of culture in the choice of a specific tourist experience. On the other side, the World Tourism Organization (UNWTO) releases on a yearly basis Declarations on Tourism and Culture, for promoting *"necessary actions in both sectors for a responsible, sustainable and inclusive development of cultural tourism[20]", confirming the link between culture and sustainability; we may introduce the concept of "smart tourism".*

If the connection between cultural heritage and tourism flow is important for big destinations (Venice, Barcelona etc.), it is far more important *for small /medium destinations* which characterized the MED area: an increasing trend of the recent years, foresees tourists searching for authentic cultural heritage, looking for specific experience rooted in local history and in the preserved cultural legacy of communities, adding unique flavours and excitement to their travels; in this framework, small and medium sized towns with rich but undervalued cultural heritage possess the potential to offer new, unique and authentic experiences. Positioning them as *authentic destinations* can simultaneously sustain local cultural heritage and create better prospects for locals, while the attraction of tourists to less recognized places can create a more even distribution of tourism and more cohesive regional economies. In this sense, the example of cultural tourism landscape of Central and Eastern Europe[21] is extremely interesting: the problems of cultural tourism development in the region lie not in the supply of cultural attractions, of which there is a profusion, but in the *articulation between cultural attractions and the tourist market*. The region is seen by tourists as having 'authentic' heritage which in theory should be in high demand, but the main weaknesses lie in promotion, packaging, management and human resources.

At the same time, even if it is clear that one developmental opportunity for small places is to work on their creative resources and 'creative tourism' (Richards & Raymond, 2017), it is important to stress out that the way in which culture and creativity may act as accelerators for tourism development at local level differs from larger cities to smaller destinations. In fact, smaller places should not attempt

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[18] https://ec.europa.eu/growth/sectors/tourism/offer/cultural_en

[19] New European Agenda for Culture (2018), Digital4culture Initiative 6 – Stimulating cross-overs from culture to innovation in society and industry

[20] https://www.unwto.org/tourism-and-culture

[21] Marin Bachvarov and Robert Wilus, From cultural tourism to creative tourism, ATLAS (2008)

to emulate big city models of creative development, such as massively attracting the creative class, but should find their own creative mode based on using their endogenous resources, capacity building and bottom-up creativity[22]. Based on these considerations and the average dimension of cities belonging to MED area, the document opted to focus on the latter, proposing the following strategy and the related actions:

Strategy	Actions	Policy Level
S6 to recognize the crucial role of culture and creativity in the valorization of local destinations	6.1 boosting regeneration and preservation of marginalized and peripheral destinations by _valorising their peculiar and authentic cultural and creative tangible and intangible heritage_, following a bottom-up and person-centred approach (public participation and local community involvement)	Regional, Local
	6.2 increasing the _cooperation between local creatives and cultural and tourism managers_ for a better accessibility and visibility of local heritages	Regional, Local
	6.3 creating experience-based attractions by exploring and applying _new creative way of place-telling_ focused especially on intangible heritage, supporting residents sense of belonging	Regional, Local

Creativity and culture have already demonstrated their capacity to re-address small and medium town valorisation, in terms of social (repopulation), economic and touristic appeal, in particular for those destinations which are peripheral or far from the main economic and touristic routes.

From the most recent studies in the field, cultural heritage can exist only in its enactment by local residents (living in historic towns or heritage sites) who together with experts from heritage institutions and local decision-making bodies give to the selected remnants from the past different kinds of values and significance (Blake, 2009; Clark, 2008; Low, 2008; Byrne 2008). So communities and professionals working with CC (groups and in some cases also individuals) have become the key actors in the processes of restoring, reviving, inventorying, safeguarding, maintaining, promoting and sustainably utilizing past achievements. According to their attitude towards the cultural tangible and intangible heritage, and the meanings, values and importance they give to them, they also preserve, maintain and utilize their past's remnants for different purposes (social, cultural, educational,

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[22] Greg Richards, Creative tourism: opportunities for smaller places? Tilburg University, Tilburg School of Social and Behavioral Sciences, Department of Leisure Studies, The Netherlands.

developmental, economic, etc.) and occasions.[23] Nevertheless, the in the context of the of ongoing global socio-political, economic and communication technological development the concept of heritage has changed, becoming a more dynamic concept: heritage as a social action which is preserved and valorized citizens who live in heritage sites or perform heritage practice, professionals from other fields, and representatives of special interests (e.g. entrepreneurs), very often belong in or dealing with the CC sector. In this perspective also social cohesion becomes a piece of the puzzle, as "heritage has been created by people and for people and heritage places should be considered as a living part of a community, the engagement of its members often brings advantages to both heritage and community alike. Local inhabitants contain capacities and assets that outlast political or professional impact and complement specialist knowledge and skills (Court & Wijesuriya, 2015, 2). The insufficient involvement of them in development led to unbalanced social and economic local growth, poor identification of relevant actors and the exclusion of various marginal groups (young, migrants, people with special needs, etc.)[24]."

CCS as a driver for social inclusion

One of the most important documents released by the European Union dealing with the interrelation between cultural and creative sectors and social inclusion is the "Council conclusions on cultural and creative crossovers to stimulate innovation, economic sustainability and social inclusion (2015/C 172/04)", where it is stated that *"the crossovers between the cultural and creative sectors and other sectors can (…) generate innovative and intelligent solutions for today's societal challenges"*. This document paves the way for a formal recognition of culture and creativity as a driver for innovation, even if applied to several different economic sectors.

A specific policy reflection over the theme of CC and social inclusion is not so evident at EU level: reference to the role of culture and creativity in this field are spread in little "pills" here and there, when addressing urban regeneration, special needs in education or community development, but there is a lack of an organic discipline of this topic. Several funded projects (Erasmus Plus, Europe for Citizens, H2020, etc…) faced this issue, but it remains "lateral" and in some ways "secondary" at policy level. For this reason, there is a strong need for a more efficient action in this field. The following table defines the main strategy and the most relevant actions to be performed:

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[23] Jasna FAKIN BAJEC, An integrated approach to the revitalization, safeguarding and management of cultural heritage: how to establish a durable and active local group of stakeholders, Annals for Istrian and Mediterranean Studies, 30, 2020.

[24] Ibidem, page 286.

Strategy	Actions		Policy Level
S7 to increase the importance of cultural and creative actors as key players for social inclusion	7.1 empowering the role of cultural engines as an _universal channel to vehiculate the positive values of diversity_, thus creating more cohesive communities		Regional, Local
	7.2 increasing the use of _creativity-based Non Formal Learning_ as a tool for social inclusion and equity at all levels of the education system		European, National, Regional
	7.3 favouring the adoption of person-centred of effective actions and practices using creativity as a tool for _community development_ through social innovation		National, Regional, Local

A specific and powerful reference to the fundamental role of culture and creativity to foster social inclusion, is included in the New European Agenda for Culture (2018), where it is stated that "aimed at **harnessing the power of culture and cultural diversity for social cohesion and well-being**, the Agenda seeks to: A) foster the _cultural capability_ of all Europeans by making available a wide range of cultural activities and providing opportunities to participate actively; B) encourage the _mobility_ of professionals in the cultural and creative sectors and remove obstacles to their mobility; C) protect and promote Europe's _cultural heritage_ as a shared resource, to raise awareness of our _common history and values_ and reinforce a sense of common European identity. This statement is particularly in line with Actions 8.1 and 8.3, where the concepts of "positive values of diversity" and "community development" are considered.

CCS may shape the natural and urban environments in a more sustainable way

As a powerful creative, innovative, fast-moving sector, the CCS can get people engaged to create a new ecosystem, develop sector specific sustainable practices and learn how to thrive in a sustainable, low carbon consuming way. As underlined in the paragraph dedicated to CCS and Tourism, a **cultural and creative contribution is often associated with a more "sustainable" approach** to other economic sectors, in a way that turns "innovation" into "sustainable innovation". The same effects are expected in the urban development, where the cultural and creative industries constantly gain in importance and an increasing number of cities focuses on creativity as a key element in their urban development[25], which is expected to become more "sustainable".

CCS and Urban environment

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[25] Gathen, Constanze. (2016). Benefits of Networks within Cultural and Creative Industries - The Case of the UNESCO Creative Cities Network with a Particular Focus on Gastronomy. 10.13140/RG.2.2.15017.19048.

In 2006, the URBACT Culture Network wrote that "*city leaders have actually understood the impact cultural events can have on shaping the image of their city; especially for cities with a bad or no image. (…) However it is clear that cultural activities cannot be reduced to instruments for the improvement of the attractiveness of cities. (…) Cultural activities bring information, skills and capabilities that cannot be found in other areas and that are essential for human development*". This sentence is particularly important, in a sense that clarifies the ultimate role of CCS in shaping community first, and consequently the urban environments. *Urban environment may be shaped by cultural and creative actors, but also the opposite is true*: in order to increase the capacity of CCS to experiment, innovate and grow, there is a need to promote the development of an appropriate infrastructure contributing to the emergence of creative communities; CCS need collaborative / multidisciplinary spaces that may act as professional hubs offering a pooling of knowledge and resources that is particularly relevant in sectors characterised by an increasing number of freelancers and nano-enterprises[26]. A clear example of how CCS may be involved in urban planning are *Living Labs*: this approach was born in the ICT research domain and officially endorsed in 2006 by the Finnish EU Presidency as a new EU model of "co-creation of innovation in public, private and civic partnership". Briefly, the term Living Lab broadly refers to "*a set of quantitative and qualitative methodologies and tools for the ideation, design, development and validation of innovation together with (and by) the end users within real-world environments*". With this methodology, innovation becomes human-driven, in contrast to technology-driven and end users are integrated within all stages of product/service development, from ideation to design, from development to validation, from testing to evaluation[27].

CCS and Natural environment

This is the less explored field of cooperation. Generally, cultural and creative actors can contribute to raising awareness on environmental issues and inspire individual and societal change[28], but this is a limited perspective. Recently, the concept of "environmental sustainability" acquired a broader meaning and cultural and social impacts are considered "as crucial as the strictly environmental ones" to define something sustainable. The development of new tools, such as the sustainability assessment, creates spaces for CCS to play an important role in decision making processes in the field of environmental processes: Sustainability assessment (SA) is a complex appraisal method (…) conducted for supporting decision-making and policy in a broad environmental, economic and social context, and transcends a purely technical/scientific evaluation[29]. Following the definition of Life Cycle Initiative (hosted by UN Environment Programme), Life cycle sustainability assessment (LCSA) refers to the evaluation of all *environmental, **social** and economic negative impacts and benefits* in decision-making

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[26] European Agenda for Culture, WORK PLAN FOR CULTURE 2011-2014.

[27] Marsh J., Molinari F., Trapani F. (2013) Co-creating Urban Development: A Living Lab for Community Regeneration in the Second District of Palermo. In: Murgante B. et al. (eds) Computational Science and Its Applications – ICCSA 2013. ICCSA 2013.

[28] European Agenda for Culture, WORK PLAN FOR CULTURE 2011-2014

[29] Serenella Sala, BiagioCiuffo, PeterNijkamp, A systemic framework for sustainability assessment, https://doi.org/10.1016/j.ecolecon.2015.09.015

processes towards more sustainable products throughout their life cycle[30]. In both cases, the "social" dimension is crucial and the role of CCS in this assessment process may be relevant (creative thinking, design thinking, stakeholders analysis, etc…).

For these reasons, we decided to dedicate the last table to the role CCS should play in shaping the natural and urban environment, by identifying a strategic objective (S10) and some related actions:

Strategy	Actions	Policy Level
S8 to enforce the presence of cultural and creative actors in natural and urban decision making	**Natural environment**	
	8.1 increasing the involvement of _CC actors in raising awareness and dissemination activities_ in the framework of environmental programmes and projects;	All levels
	8.2 promoting regenerative approaches _based on sustainability assessment_, which includes social determinants and involves CC actors;	National, Regional, Local
	8.3 activating CC actors for the definition of new languages able to _make scientific results more accessibl_e for non-scientific stakeholders, citizens and communities;	National, Regional, Local
	Urban environment	
	8.4 promoting the development of _appropriate urban infrastructures_ contributing to the emergence of creative communities in collaborative /multidisciplinary spaces;	Regional, Local
	8.5 developing effective methodologies and indicators to _measure the impacts of cultural and creative activities on wellbeing and living condition_ in urban areas;	European, National
	8.6 boosting the _role of cultural and creative actors as a community shaping_ engine firstly, and only secondly as an urban regeneration actor;	European, National, Regional,

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[30] https://www.lifecycleinitiative.org/starting-life-cycle-thinking/life-cycle-approaches

CCS in a digital world: new audiences and new markets

The COVID-19 pandemic event revealed in a traumatic manner the need for a fast upgrading in the way of producing and delivering cultural and creative services and products, with a stronger use of new technologies and digitalization. So behind the thread, there is the possibility. But the shift from a traditional interpretation of cultural and creative products and services delivering to a more digital-oriented one was clear years before the COVID-19 pandemic event: digital technologies and AI have transformed the way many creative works are generated, disseminated and used; they have made cultural products more accessible, challenged established business models and the copyright system, and blurred boundaries between producers and consumers[31] but also have increased the number of potential developers. In 2018, in the framework of the New European Agenda for Culture, a specific strategy (**Digital4Culture**) was launched by the European Union, in order to create and implement "*a cross-cutting strategy, which especially supports the citizenship dimension of the Digital Single Market. Its aim will be to enable cultural and creative sectors to reach out to new audiences, adapt to the digital era, and thrive in the connected Digital Single Market*[32]".

Strategy	Actions	Policy Level
S9 to increase the digital dimension of cultural and creative products and services	9.1 enabling _collaboration between art and technology_ to achieve sustainable innovation on a local (urban) and regional level, supporting triggering initiatives (ie. Creative Nests, STARTS projects) and developing physical and immaterial spaces where CC professional can share and hybridise	European, National
	9.2 ensure the participation of the Creative Nests representatives to the _pan-European network of Digital Creative & Innovation Hubs_ (Initiative 3 of the Digital4Culture strategy)	European, National, Regional
	9.3 activating priorities in the framework of 21-27 Structural Funds for _increasing the digital skills_ of cultural and creative industries (ie. ESF 2021-2027)	Regional

In particular, the "***Digital4culture Initiative 3 – Digital Creative & Innovation Hubs***" intends to establish a *pan-European network of Digital Creative & Innovation Hubs,* providing one-stop shops for the cultural and creative industries, that will complement the actions of the Knowledge and Innovation

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[31] Feher, Katalin & Junaidy, Deny & Larasati, Dwinita & Kovacs, Agnes & Rahardjo, Budi. (2017). Creative Industries and Digital Economy – Perspectives from Southeast Asia and Central Europe.

[32] https://ec.europa.eu/culture/document/new-european-agenda-culture-swd2018-267-final

Community (KIC) initiative on creative industries. In this framework, the presence and the active participation of the SMATH "creative Nests" is crucial for the Mediterranean Area to profit from the benefits of the latest technological and digital knowledge and innovation.

Cultural and Creative Sectors (CCS) in Europe

In this section we present in a comprehensive way the European and international bodies dealing with the creative-cultural sector (CCS), their policies, their funding programmes and the connection between them.

International and European Policies addressing cultural and creative sectors

The CCS policy field strikes different EU, national, regional and local policy levels. Many stakeholders, institutions and parties are involved in the policy making process for CCI in Europe: strategies, programmes and initiatives for CCI are distributed among several institutions through a visible horizontal approach to governance. However, there is a growing demand of interdepartmental coordination, since no efficient horizontal steering mechanism between EU actors is function:

> "one lesson that could be learned is **the need to develop a more systematic and rigorous evidence based policy development** where information is gathered about the objectives and the outcomes, as well as the means of evaluation of policies. The urgency of this task is underlined by the raft of 'mapping documents' [...]. As such it has social and economic impacts that could and should be the concern of society and policy makers. As yet policy makers and politicians have found it difficult to see the CCI as separate from the old approach to cultural policy".[33]

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[33] Andy C. Pratt, *Policy Transfer and the Field of the Cultural and Creative Industries*, pp. 9-23, in "Creative Economies, Creative Cities", ed. Lily Kong and Justin O' Connor, Springer Link, 2009.

Due to the interdisciplinarity and heterogeneity of CCI, there are diverse aspects and needs to be taken into account while setting-up a suitable policy and strategic framework: funding, locations, framework conditions, business structures, regional special features or work forms. In the following graphic CCI policy dimensions are made visible. In this context there is a strong interconnection between the activities of several public bodies. The European Parliament and the European Commission cooperate with the UN, UNESCO and OECD on policy making strategies.

Policy Dimensions
Cultural & Creative Industries on European level

Economic & Innovation	GDP, Employment , Exports
Cohesion	Economic, social, territorial
Culture	Identity, mobility
Education	Entrepreneurship, skills
Research	(Cross) Innovation, digitization
Economic cooperation	Capacity building
Regulation	Intellectual property rights, state aid, GDRP, taxes etc.
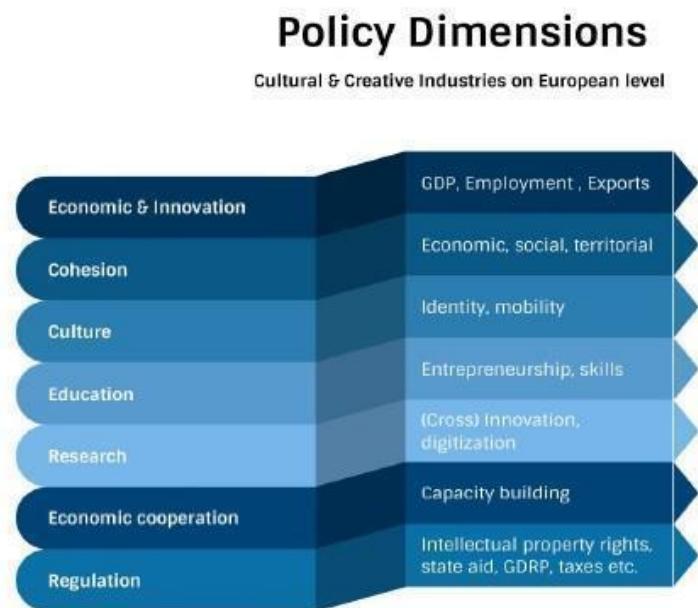
Source: Regional Association Cultural and Creative Industry Saxony

At EU level there are various Committees and Directorates General (DG) dealing with CCI or focusing on intersections of CCI (young entrepreneurs, industry or SMEs). The European Economic and Social Committee (EESC) - representing organised civil society in Europe - and the Committee of the Regions (CoR) - representing Europe's regional and local authorities - act as independent advisory bodies to The European Commission and The European Parliament. In particular, they focus on collecting statements of the public about CCI or hosting regional entrepreneurial awards. Next to public bodies, associations and lobby organisations have an impact on the policy-making process representing the positions of respective industries and countries.

Source: Regional Association Cultural and Creative Industry Saxony

The cross-cutting features of the CCS has been taken into consideration in several policy documents by the above-mentioned EU bodies: the European Commission Green Paper on unlocking the potential of cultural and creative industries (2010); the Communication Promoting cultural and creative sectors for growth and jobs in the EU (2012); the European Parliament Resolution on promoting the European cultural and creative sectors as sources of economic growth and jobs (2013); the Communication Towards an integrated approach to cultural heritage for Europe (2014); the Digital Single Market Strategy (2015); the European Parliament Resolution on a coherent EU policy for cultural and creative industries (2016).

The main international and European institutions which formulate policies addressing CCI and designing the overall regulatory framework are described in the next paragraphs.

United Nations

In the document *Culture in the Implementation of the 2030 Agenda: a Report by the Culture 2030 Goal Campaign*, it is stated that some of the most important policy documents of the United Nations in recent years have underscored the importance of culture. The analysis could begin in the outcome document of the UN Conference on Sustainable Development, "The Future We Want" (Rio de Janeiro, 2012),

which highlighted the importance of cultural diversity and the need for a more holistic and integrated approach to sustainable development1 , and the UN General Assembly Resolution N. 65/1 ("Keeping the Promise: United to Achieve the Millennium Development Goals", 2010). The report goes on showing the potential of CCI in helping to reach the Sustainable Development Goals.

The UN has established the Sustainable Development Goals Fund (SDG Fund) - an international multi-donor and multi-agency development mechanism which supports sustainable development activities through integrated and multidimensional joint programmes. The SDG Fund has started a series of initiatives to bring creative industries leaders at the forefront of sustainable development. It is starting new alliances to deepen creative industries engagement in achieving SDGs through new and innovative approaches to SDGs.

UNESCO

In 2005 UNESCO issued the *Convention for the Protection and Promotion of the Diversity of Cultural Expressions*. This Convention shall apply to the policies and measures adopted by the Parties related to the protection and promotion of the diversity of cultural expressions.

Quadrennial Periodic Reports offer an overview of cultural policy context listing cultural policies and measures from different countries.

The Global Report series instead provides new and valuable evidence to inform cultural policy making and advance creativity for development.

Grounded in the analysis of the Quadrennial Periodic Reports submitted by Parties to the Convention and relevant new findings, this report examines how the 2005 Convention has inspired policy change at the global and country level in ten areas of monitoring. It puts forward a set of policy recommendations for the future, addressing the adaptation of cultural policies to rapid change in the digital environment, based on human rights and fundamental freedoms of expression.

Alongside the Convention, UNESCO has created a Policy Monitoring Platform. This platform currently displays 2107 policies and measures from Periodic Reports of 103 countries submitted between 2012 and 2020.

Organisation for Economic Co-operation and Development (OECD)

The OECD Local Economic and Employment Development Programme is promoting a project called *Culture, Creative Economy and Local Development*. The project is part of the European Framework for Action on Cultural Heritage. It is implemented by and aims to provide evidence and guidance to cities and regions on ways to maximize the economic and social value of cultural heritage and support the emergence of the creative economy.

It focuses on knowledge building, peer learning and training in four areas: maximising the impact of culture and cultural heritage on local development; increasing the jobs potential of cultural and creative industries; supporting business creation, innovation and growth; public and private finance for culture and creative sectors.

European Parliament

The European Parliament elaborates important structural and political measures to integrate them into a real European culture strategy.

Committee On Culture And Education (CULT)

The Committee on Culture and Education (CULT) is responsible for improving the knowledge and dissemination of culture, the protection and promotion of cultural and linguistic diversity and the conservation and safeguarding of cultural heritage, cultural exchanges and artistic creation. Furthermore, it establishes cooperation with third countries and organisations in the areas of culture and education. The Activity Report for 2014-2019 demands a coherent EU policy for CCI as well as a new European Agenda for Culture and the implementation report on the Creative Europe programme. This joint report in cooperation with the Industry, Research and Energy Committee (ITRE) recommends a definition of CCI to better support their development and economic impact, stating that: "CCIs have a key role to play in reindustrializing Europe, are a driver for growth and are in a strategic position to trigger innovative spill overs in other industrial sectors, such as tourism, retail, and digital technologies".

Industry, Research And Energy Committee (ITRE)

One of the responsibilities of the ITRE is dealing with industrial policy and related measures of new technology, including measures of SME in the EU. In its Activity Report for 2014-2019, it proposes to establish a common framework on business statistics to simplify EU law and reduce administrative costs in particular for SMEs, including CCI.

Regional Development Committee (REGI)

The REGI is responsible for the operation and improvement of the Union's regional development and cohesion policy. It manages the European Regional Development Fund (ERDF), the Cohesion Fund and other instruments of regional policy. Many projects funded by INTERREG are focusing on CCI.

Intergroup "Cultural And Creative Industries In Europe"

Founded in 2014 it connects 36 MPs from different parties and countries. Its aim is to discuss strategic aspects of CCI. The group demands that the needs of CCI must be mainstreamed in the EU industrial funding policy.

European Commission

The importance of cultural and creative sectors for innovation, job creation, cohesion and well-being of societies is reported in these three fundamental publications:

- 2015 - 2018 Work Plan for Culture;

- New European Agenda for Culture;

- New Work Plan for Culture 2018

In 2010 the European Commission published the Green Paper "Unlocking the potential of cultural and creative industries". This paper is based on recommendations and best practice experiences from two national expert groups about CCI and synergies between culture and education.

OMC Working Groups Culture

The "Open Method of Coordination" ("OMC") describes the cooperation of experts from ministries of culture and national cultural institutions of different EU member states. The OMC groups are organised by the European Commission. Recently working groups have been discussing the role of public policies in developing entrepreneurial and innovation potential of the Cultural and Creative Sectors (WP 2015-2018).

Directorate-General For Internal Market, Industry, Entrepreneurship And SMEs (DG GROW)

In 2016 the DG GROW published a study on "Boosting the competitiveness of cultural and creative industries for growth and jobs" describing the often overlooked potential of the CCI for the re-industrialization of Europe. In 2017 and 2018, the DG GROW call for proposals targeted CCI as potential leaders in the innovation of the textile industry and tourism. The European Agenda for Culture, published in 2018, recognises the potential of CCI in developing innovative solutions that can also have a positive impact on other sectors. Since then, DG GROW has organised regular exchanges between CCIs and policy-makers to identify needs and create a comprehensive policy framework at EU level. Alongside DG GROW, the Directorate-General For Regional And Urban Policy (DG REGIO) and the Directorate-General For Communications Networks, Content and Technology (DG CONNECT) have also an indirect impact on CCI policy.

Joint Research Centre

The Joint Research Centre (JRC) is the European Commission's science and knowledge service. It works together with over thousand organizations worldwide. It develops innovative tools and makes them available to policy makers.

Cultural and Creative Cities Monitor

After consulting a group of experts, in 2015 the Joint Research Centre (JRS) launched a monitor to measure and define local cultural and effective ecosystems based on common evidence. The Cultural and Creative Cities Monitor evaluates 190 cities in 30 European countries on their cultural and socio-economic vitality from three points of view: Cultural Vibrancy, Creative Economy and Enabling Environment. It also includes some highlights on creative economy strategies or best practices in cultural management.

European Council

In 2007 the European Council recognised the potential of CCS and the need to support it by demanding to connect cultural policy and other policy areas for better synergetic effects. Some of the presidents of the EC have integrated CCI into their six-month programme and consistently focus on their needs and strengths.

Council of European Union

The Council of the European Union is responsible for adopting the EU budget together with the Parliament. As a decision-making body, it coordinates economic and fiscal policy, employment policy and policy in education, culture, youth and sports of the member states.

It also produces the Work Plan for Culture which is the foundation of the framework for cooperation. One of the four main priorities of the Work Plan for Culture 2015-18 was the CCS, creative industry and innovation. In the new Work Plan for Culture 2019-2022 is stated: "to increase Europe's competitiveness and to stimulate innovation, Europe must build on its creative and cultural assets." Among the goals of the Work Plan in the field of CCS we can find: the development of policy recommendations and incentives for co-productions in legal frameworks and audiovisual support schemes to stimulate co-productions; the identification of transferable best practices and discuss suitable policy measures at European and national level on diversity and competitiveness of the music sector.

European Economic and Social Committee (EESC)

The European Economic and Social Committee is the voice of organised civil society in Europe and assists the European Parliament, the Council and the Commission. Its members are employers, trade unionists and representatives of social, occupational, economic and cultural organisations. It consists of 329 members nominated by national governments and appointed for 5 years. Among its activities, the Committee has recommended a multi-annual strategy for the development of cultural and creative industries and a budget increase in 2019 for funding programmes.

European Committee of Regions (CoR)

The European Committee of Regions is the advisory body representing Europe's regional and local authorities. The Committee invested €2 billion into the 2014-2020 Creative Europe Programme.Since 2011 the project European Entrepreneurial Region (EER) rewards EU regions showing an outstanding and innovative entrepreneurial policy strategy.

Regional institutions (the examples of Veneto and Friuli Venezia-Giulia)

Through the Funds of the ROP ERDF 2014-2020 Veneto Region has introduced for the first time a new tool to support CCI. With the ERDF Regional Operational Programme, financed through EU, national and regional resources, more than 16 million euros have been made available to the sector with the aim of strengthening the system and creating new businesses. In the past these funds were intended to support only manufacturing, artisan or commercial enterprises.

Friuli Venezia-Giulia has included CCS among its strategic areas of development, as highlighted in the regional documents on Intelligent Specialization Strategies (S3), in which CCI constitute one of the five areas of specialization.

European and International Networks in the areas of the culture and creativity

Several networks are currently dealing with CCIs at international and European level and are developing interesting initiatives for the sector. We collected them and briefly summarized their main characteristics.

European Creative Business Network

The European Creative Business Network (ECBN) is a not for profit foundation, founded in 2011 and currently spanning 12 EU countries, promoting the interests of the cultural creative industries in Europe. Given the diversity of cultural expressions as well as of cultural and creative markets across Europe, ECBN works – on purposes indirectly and decentralized – by supporting leading agencies, funders and intermediaries on local, regional and/or national level to help them support their cultural and creative entrepreneurs. Among its actions, ECBN pushes for specific policy initiatives and actions for the cultural creative industries and represents its members in the main European events and debates where issues related or impacting cultural and creative business are discussed.

website: https://www.ecbnetwork.eu/

European Creative Hubs Network

The European Creative Hubs Network is a peer-led network with a mission to enhance the creative, economic and social impact of hubs. This network is specifically tailored to support physical spaces that provide services to multiple creative businesses. As focal points for creative businesses, hubs offer an effective way to support the growth and development of creative industries. To achieve this, hubs themselves need to network, to pool resources, share best practices, and build on advocacy, policy and opportunities. ECHN works as a platform which connects different hubs in Europe and offers training and development, policy advocacy and events to connect each other.

website: http://creativehubs.net/

European Incubation Networks for Creativity-driven Innovation

It is an action led by the Executive Agency for Small and Medium-sized Enterprises (EASME). The ultimate objective of the action is to support the creation, business development and scaling-up of companies in the fashion and the tourism sectors through incubators and accelerators integrating creativity, art and design skills from CCIs (Cultural and Creative Industries) with cutting-edge technology, science and other relevant expertise.

website:https://ec.europa.eu/easme/en/cos-einet-2017-3-04-european-incubation-networks-creativity-driven-innovation

European Network of Digital Innovation Hubs

DIHs represent one of the policies included in European Commission's strategy of "shaping Europe's digital future". Building on a European network of Digital Innovation Hubs, the Commission aims to help companies improve their processes, products and services through the use of digital technologies.

website: https://ec.europa.eu/digital-single-market/en/digital-innovation-hubs

Regional Initiative for Culture and Creativity (RICC)

 It is a EU platform driven by Brussels offices working in close cooperation with decision makers and experts from their Regions. It is dedicated to advocate on cultural and creative policies with territorial dimension; to participate in relevant EU funding programmes; to work under the Smart Specialisation Ris3 guidance. Its members are from: Sweden, Italy, Spain, the UK, France and Croatia.

website:https://www.interregeurope.eu/fileadmin/user_upload/tx_tevprojects/library/file_1508234766.pdf

European Regions Research and Innovation Network - Working Group on Design and Creativity

ERRIN is a Brussels-based platform of more than 125 regional stakeholder organisations from 22 European countries. It focuses solely on research and innovation policy and funding programmes, as well as project development. Its members are mainly regional authorities, universities, research organisations, chambers of commerce, and clusters. Members develop the agenda and the priorities of the whole network by taking an active role within 13 working groups or in the platform Management

Board. In particular, the Design & Creativity WG aims at raising the awareness of design and creativity as tools and drivers for innovation in different sectors and across Europe.

website: https://errin.eu/working-groups/design-creativity

The UNESCO Creative Cities Network

The UCCN was created in 2004 to promote cooperation with and among cities that have identified creativity as a strategic factor for sustainable urban development. The 246 cities which currently make up this network work together towards a common objective: placing creativity and cultural industries at the heart of their development plans at the local level and cooperating actively at the international level.

website: https://en.unesco.org/creative-cities/home

Trans Europe Halles

It is a network of 127 members from 36 countries. It is based in Sweden and active since 1983. Through its Hubs, members can collaborate regionally and thematically, launching projects together and form partnerships based on common interests, goals and ideas.

website: https://teh.net/

Regional Creative Industries Alliance

RCIA has developed from a project striving to shape better regional policies towards a modern business ecosystem using the transformative power of creative SMEs as a key competitiveness factor. It aims to improve the Structural Funds policy instruments related to the SME competitiveness through interregional policy learning.

website: https://www.interregeurope.eu/rcia/

European financing programmes (2021-2027)

European support to culture and the audiovisual sector is not a news and has been provided through various funding programmes. The news to register is the increasing trend of support programmes, both in terms of numbers and amount, which has characterized the last decade and seems not to stop, as in the intentions of the new EU financing Programmes we can find multiple signs of a very important interest in the topic. As we will very quickly report in the next chapter, this support will last also during next seven year multiannual Financial Framework for 2021-27 which is now concretized with the development of several thematic Funding Programmes.

Funds, loans, training and exchange experiences can be developed and supported with these "tools" and are normally well known by the CCI actors. In fact they found and will find a large frame of possibilities both on the Programmes directly managed by the EU, where very often a transnational network is needed, and the ones managed by National Authorities, where this is not needed and in general terms more direct support to enterprises is foreseen.

In this perspective we selected the most suitable 2021-27 Programmes for the CCI sector, to be accurately mapped and checked for the next years, with a very brief description of their main characteristics and opportunities.

Creative Europe 2021-27

Creative Europe programme constitutes a unique platform for coordinated and constructive support to the cultural and creative sectors of the continent. It consists of the Creative Europe CULTURE and Creative Europe MEDIA (audio-visual) as well as the Cross-sectoral strand.

The European Commission has decided to continue the Creative Europe programme as a stand-alone, the only programme focusing exclusively on **cultural and creative activities and enterprises**, falling under the 'Cohesion and values' heading of the 2021-2027 multiannual financial framework. In general terms, Creative Europe supports cross-border cooperation and networking activities for all cultural and creative sectors and co-finances important platforms and networks.

In order to prepare the programme proposal for the upcoming Creative Europe programme 2021-2027, the Commission consulted with a wide range of stakeholders and Member States experts. These consultations were held in parallel with the interim evaluation of the 2014-2020 Creative Europe Programme and both concluded that the needs of some sectors were not sufficiently addressed in the current programme.

The proposal for Creative Europe 2021-2027 intends to remedy these shortcomings by including new specific sectoral support to areas such as **music, architecture, books and publishing, cultural heritage.**

These sectoral actions will focus on capacity building, professionalization and talent development, data collection to understand better the sectors, as well as export opportunities. They will build on and complement EU driven actions and projects already carried out over the past years.

From the REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, establishing the Creative Europe programme (2021 to 2027) and repealing Regulation (EU) No 1295/2013**:**

The aim of this initiative is to build on the Creative Europe Programme's achievements and scale up efforts with a view to meeting the objectives set in relation to more recent policy developments. The new Creative Europe programme intends to offer ***opportunities for operators to develop technologically and artistically innovative European trans-border initiatives to exchange, co-create, co-produce and distribute European works and make them accessible to a wide and diverse audience.*** *It will intensify testing* ***new business models*** *enabling creators to make best use of* ***digital technology for creation and audience development****.*

With these aims, the 2021-27 programma will keep the original three strands structure[34]:

- **Culture:** cross-border circulation, participation and social inclusion, growth and job creation, arts education enhancing European values and identity, international outreach and diplomacy;

- **Media:** new talents, skills, innovation and cooperation in audiovisual sector, new business models and technologies enhancing wider access to and promotion of European audiovisual works across borders and beyond, theatrical and online distribution;

- **Cross sectoral:** approach combining culture and media (arts, technology, business) in the creation, distribution, promotion of, and access to content, quality journalism, media pluralism and literacy, culture in social inclusion

Website: https://ec.europa.eu/programmes/creative-europe

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[34] https://www.europarl.europa.eu/legislative-train/theme-new-boost-for-jobs-growth-and-investment/file-mff-creative-europe-2021-2027

Horizon Europe

THE NEXT EU RESEARCH & INNOVATION PROGRAMME (2021 –2027)

Research, social innovation, creativity and culture are strictly connected and are privileged areas of intervention for the biggest EU direct Fund: Horizon 2020 and the next Horizon Europe. The Commission's proposal for Horizon Europe is an ambitious €100 billion research and innovation programme to succeed Horizon 2020.

For example pooling resources in order to apply the latest technologies and stimulate new scientific approaches can greatly improve the **understanding, preservation and dissemination of cultural heritage and in the cultural and creative sector** in general. Potential synergies will need to be strengthened to reinforce the complementarity between these instruments and other EU Funds like Creative Europe, so that the cultural and creative sectors fully benefit from the advances of European research. In the Horizon Europe programme, the cluster on "Inclusive, Resilient and Secure Societies" includes support research and innovation activities for the development of ICT technologies for the digitisation and preservation of tangible and intangible cultural heritage.

The **"Digital Industry" cluster** foresees, within the Next Generation Internet area of interventions, **research activities which are closely linked to the cultural and creative industries** - e.g. Augmented reality/Virtual reality, immersive environments, human computer interfaces, new (social) media. It is also foreseen to continue efforts to achieve crossovers between the creative sectors, in particular the arts, and innovation in industry and society via the S+T+ARTS programme.

For upstanding project see Box#1: S+T+ARTS

Erasmus Europe

The future Erasmus programme (21-27) will foresee **important possibilities for the CCI sector**. As always, it will forster cooperation between institutions and organisations active in education, training and youth and will help equip individuals with the knowledge, skills and competences needed to face social and economic challenges as well as fulfil their potential for innovation, creativity and entrepreneurship, in particular within the digital economy. Activities linked to reinforcing all aspects of creativity in education and enhancing individual key competencies, will constitute one of the fundamental objective of the programme.

The programme budget has not been set yet, as the Eu Commission proposal of the 30th May 2020 was of 30 billions but at the moment, due to the unforeseen expenditures due to the Pandemic situation, the Eu Council asked for a very significant reduction to 21 billions.

European Social Fund + (ESF +)

On 30th May 2018, the European Commission adopted a proposal for the next multiannual financial framework for 2021-2027 on the European Social Fund Plus (ESF+) as the **EU's main instrument to invest in people** and to implement the European Pillar of Social Rights. The proposed budget is about €101.2 billion but at the moment negotiations within the Parliament and the commissions involved are running, due to the changes provoked by the health crisis of Covid.

It will anyway be a merger of the existing European Social Fund (ESF), the Youth Employment Initiative (YEI), and the Fund for European Aid to the most Deprived (FEAD) and the Employment and Social Innovation Programme (EaSI). This merger should help streamline and simplify existing rules across the different funds and increase synergies between the components of the new European Social Fund+. This should make it easier for beneficiaries to access funding, help them combine different types of measures, and simplify funding management.

As a Structural Fund, ESF is Europe's main instrument for supporting jobs, professional training and skills acquisition, helping people get better jobs and ensuring fairer job opportunities for all EU citizens. It works by investing in Europe's human capital – its workers, its young people and all those seeking a job.

Priorities of investments are agreed by the Commission and the national States and Regions, depending on national legislations, through the development of national and regional Operative Programmes.

In this sense its deployment is decentralized, so to better concretize the European objectives through the work of territories. At the moment it is not possible to know which actions will be put in place by National and Regional bodies in order to support the CCI, however it is clear that many possibilities will raise from the actions (calls, training and funding opportunities) deriving from the next ESF.

A clear commitment of the Commission is to foster the possibility of interactions among all available Structural Funds and particularly interesting for the enterprises working in the field of creativity and culture will be to look a those possibilities as a complete set of possibilities deriving from Eu Funds. The most direct link of ESF+ will be the ERDF for 21-27.

European Regional Development Fund (ERDF)

In preparation for the upcoming Multiannual Financial Framework 2021-2027, on 29 May 2018 the European Commission published a proposal for a regulation on the European Regional Development Fund (ERDF) and the Cohesion Fund (CF). The proposal came in the context of the Commission Work Programme 2018, which announced the publication of the new MFF 2021-2027 package of proposals.

The general framework for the delivery and implementation of ERDF and CF is set out in the new Common Provisions Regulation which covers several EU funds. The new single regulation on ERDF and CF (previously covered by two separate regulations) identifies the specific objectives and scope of support for both funds. It also provides an indicator framework for monitoring progress (Annex I and II) and outlines the approach for specific territories, including urban areas and outermost regions.

The ERDF will support the **5 new policy objectives of cohesion policy**: PO1 'a **smarter** Europe by promoting innovative and smart economic transformation'; PO2 'a **greener**, low-carbon Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate adaptation and risk prevention and management'; PO3 'a **more connected** Europe by enhancing mobility and regional ICT connectivity'; PO4 'a **more social** Europe implementing the European Pillar of Social Rights' and PO5 'a Europe **closer to citizens** by fostering the sustainable and integrated development of urban, rural and coastal areas and local initiatives'.

Like the ESF, ERDF lands on the ground through the agreement between the EC and national/regional institutions about main objectives and targets and then is developed at local level. Support to SMEs, entrepreneurship and smart specialisations were declared "high impact activities" by an independent Fund impact assessment, so as such will be maintained as a pillar for the years to come. As for the ESF+ it is not possible to foresee how CCI will benefit about the Fund, but several possibilities will for sure surface, mainly through P01 smarter Europe.

EU regional, urban and rural policies

The EU's regional, urban and rural development policies are instrumental in promoting the **restoration of cultural heritage and supporting cultural and creative industries**. Potential synergies will be ensured to reinforce the complementarity between these instruments and other EU programmes like for example Creative Europe, which can support peer learning on meaningful long-term cultural investment plans for creative industries, tourism, social inclusion, cultural heritage restoration based on quality standards of renovation of cultural heritage and increasing their contribution to the objectives of the regional and urban development and financial self-sustainability of cultural projects.

European Territorial Cooperation (CTE)

European Territorial Cooperation (ETC), better known as **Interreg**, is one of the two goals of the Cohesion Policy and **provides** a framework for the implementation of **joint actions and policy exchanges** between national, regional and local actors from different Member States. Born in 1990, the initiative developed several Cooperation Programmes of cross-border, transnational and

interregional cooperation between a great variety of sectors, with the aim to tackle common issues or exploit opportunities of the territories belonging to each territorial Programme.

The possibilities of cooperation and growth for the CCI are multiple, as demonstrated by Smath and they entail the cooperation among different subjects in a network, dealing with PP partnership, sector enhancement, policy development and other activities where the added value of the cooperation among territories is clearly demonstrated.

For the next Programme (21-27), all Programmes have faced an assessment of their achievements and parallely have started planning the future, through the involvement of their stakeholders. Programmes are expected to start their activities during mid 2021 and consequently to deliver the first Call for proposals.

However, news has been announced but still not confirmed , like the creation of an "Interregional Innovation Instrument", which will be particularly interesting for the CCI and its stakeholders.

Digital Europe programme

Within the Digital Europe programme two leadership projects will assure the continuation of deployment activities linked to the **#Digital4Culture strategy**. The leadership project on digital transformation of the cultural heritage sector will continue to support European initiatives launched during the European Year on Cultural Heritage 2018. The part of the programme focusing on digital skills has synergies with issues such as media literacy and film education.

Cosme

Cosme is the Eu Programme directed to SMEs and the CCI is a typical sector in which they constitute the majority of actors. Cosme provides multiple initiatives and a tailor-made support to help SMEs grow and innovate, in the consideration that at all stages of development, small businesses struggle more than large enterprises to get finance. To stay competitive, both start-ups and scale-ups rely on external **finance for innovation, digitalisation, internationalisation and upskillin**g.

It promotes two types of initiatives, financial and not-financial ones.

Even if generally EU financing programmes generally do not provide direct funding, Cosme channel support through local, regional, or national authorities, or financial intermediaries such as banks and venture capital organisations that provide funding with financial instruments. It provides debt (Loan Garantee Facility) and equity instruments (Equity facilities).

Cosme also **aims to develop entrepreneurial skills and attitudes, creating mentoring schemes, promoting social entrepreneurship**. One of the main initiatives in this sense are the Programme "Erasmus for Young Enterpreneurs" (see chapter below), the Enterprise Europe Network, a very extensive network with more than 600 member organisations, that helps businesses innovate and grow on an international scale and the European Entrepreneurship Education Network[35] EE-HUB, a specialised international network bringing together European and national governments, businesses, NGOs, researchers and educators to collaborate and share knowledge, with the mission to increase the quantity, quality and impact of entrepreneurship education in Europe.

The Programme has been confirmed also for the 2021-27 period and will continue to provide non-financial instruments for the support of SMEs and financial ones through InvestEU.

A new mentoring scheme for new or aspiring entrepreneurs is foreseen and an action to support clusters and industrial transformation too.

For more info about the actual financial support possibilities for enterprises, the EU access to finance portal[36] is a valuable tool to find intermediaries.

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[35] http://www.ee-hub.eu/

[36] http://europa.eu/youreurope/business/funding-grants/access-to-finance/index_en.htm

Find EU business finance in 3 easy steps

Programme	Type	Amount	Focus	Size of company		
				Micro	SMEs	Small mid caps
Social Change & Innovation	Microfinance	< €25.000	Micro-enterprises	✓		
	Investments	< €500.000	Social enterprises	✓	✓	
COSME	Guarantees	< €150.000	General	✓	✓	
	Equity		Growth, expansion stage	✓	✓	
Creative Europe	Guarantees		Cultural and creative sector	✓	✓	
InnovFin (Horizon 2020)	Guarantees	€25.000 - €7.500.000	Research, development, innovation	✓	✓	✓
	Equity		Start-up, early stage	✓	✓	✓
Private Finance for Energy Efficiency	Loans	< €5.000.000	Energy efficiency	✓	✓	✓
Natural Capital Financing Facility	Loans, equity	€5.000.000 - €15.000.000	Preservation of natural capital, climate change	✓	✓	✓
European Investment Bank, European Investment Fund, European Structural and Investment Funds, European Fund for Strategic Investments	Loans, guarantees, equity		General	✓	✓	✓

For upstanding project see Box#2: Worth Partnership Project

Erasmus for Young Entrepreneurs

Erasmus for Young Entrepreneurs **helps provide aspiring European entrepreneurs** with the skills necessary to start and/or successfully run a small business in Europe. New entrepreneurs gather and exchange knowledge and business ideas with an experienced entrepreneur, with whom they stay and collaborate for a period of 1 to 6 months.

It can be a very interesting possibility for CCI agents to gain experience or develop new projects.

It is financed by the European Commission and operates across the Participating Countries with the help of the local contact points, competent in business support (e.g. Chambers of Commerce, start-up centres, incubators etc.).

Website: https://www.erasmus-entrepreneurs.eu/

Other EU and national facilities/initiatives for the CC sector

Beyond these specific initiatives, a variety of support schemes for the CCI are already in place, with the main aims of supporting its activities and tackling the bottlenecks of the sector. In the last decade the European Commission and national/local stakeholders attentioned the sector and have recognized its peculiarities proposing tailored financial support via various instruments (Guarantees, Grants etc.), sectoral policy revision and development, networking possibilities among stakeholders, professional training and support to entrepreneurship.

The following paragraphs precisely report recent and relevant initiatives suitable for CCI actors and stakeholders.

Financial initiatives

One of them is the financial vulnerability of the CCI actors, both in terms of access to the credit and long term sustainability of the enterprises. In this perspective, we summarized some important initiatives at EU and National level, which testify the actual interest of governmental and private bodies (such as banks and investors) in the field enhancement.

Cultural and Creative Sector Guarantee Facility in Creative Europe 2014-2020[37]

In the context of limited access to finance for the cultural and creative sectors, the Creative Europe programme (2014-2020) of the European Commission earmarked **€121 million to a financial mechanism** acting as insurance to financial intermediaries (e.g. banks) offering financing to cultural and creative sector initiatives. The programme is expected to create **€600 million in loans and other financial products** through a catalyst effect. In addition, financial intermediaries will be provided training to better understand the needs of cultural and creative sector projects, with a view to increasing their engagement with the sectors. The guarantee scheme is managed by the European Investment Fund (part of the European Investment Bank Group), on behalf of the European Commission, and aims at strengthening cultural and creative sectors companies' financial capacity and competitiveness.

The Guarantee Facility is benefiting small and medium-sized enterprises active in the cultural and creative sectors in the EU, Iceland and Norway. Such sectors' activities are based on cultural values and/or artistic and creative expressions, whether these activities are market or non-market oriented and whatever the type of legal structure that carries them out. Such activities include the creation, production, dissemination and preservation of goods and services which embody cultural, artistic or creative expressions. Sectors include architecture, archives and libraries, artistic crafts, audiovisual (including film, television, video games and multimedia), cultural heritage, design, festivals, music, performing arts, publishing, radio and visual arts.

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[37] https://ec.europa.eu/programmes/creative-europe/cross-sector/guarantee-facility_en

To apply, cultural and creative sector companies must contact the financial intermediaries selected for each country.

The facility began rolling out in 2016 and in January 2017, the Compañía Española de Reafianzamiento, a Spanish public investment body, became the first institution to conclude a guarantee agreement with the European Investment Fund (EIF). In February, French public investment bank Bpi France signed an agreement with the EIF guaranteeing €30 million in loans for the creative and cultural sectors and March 2017 saw the signature of a guarantee agreement between the Romanian Libra Internet Bank and the EIF.

At the moment the majority of the EU Countries can count on a Financial Intermediary which are entitled to support companies through this Fund.
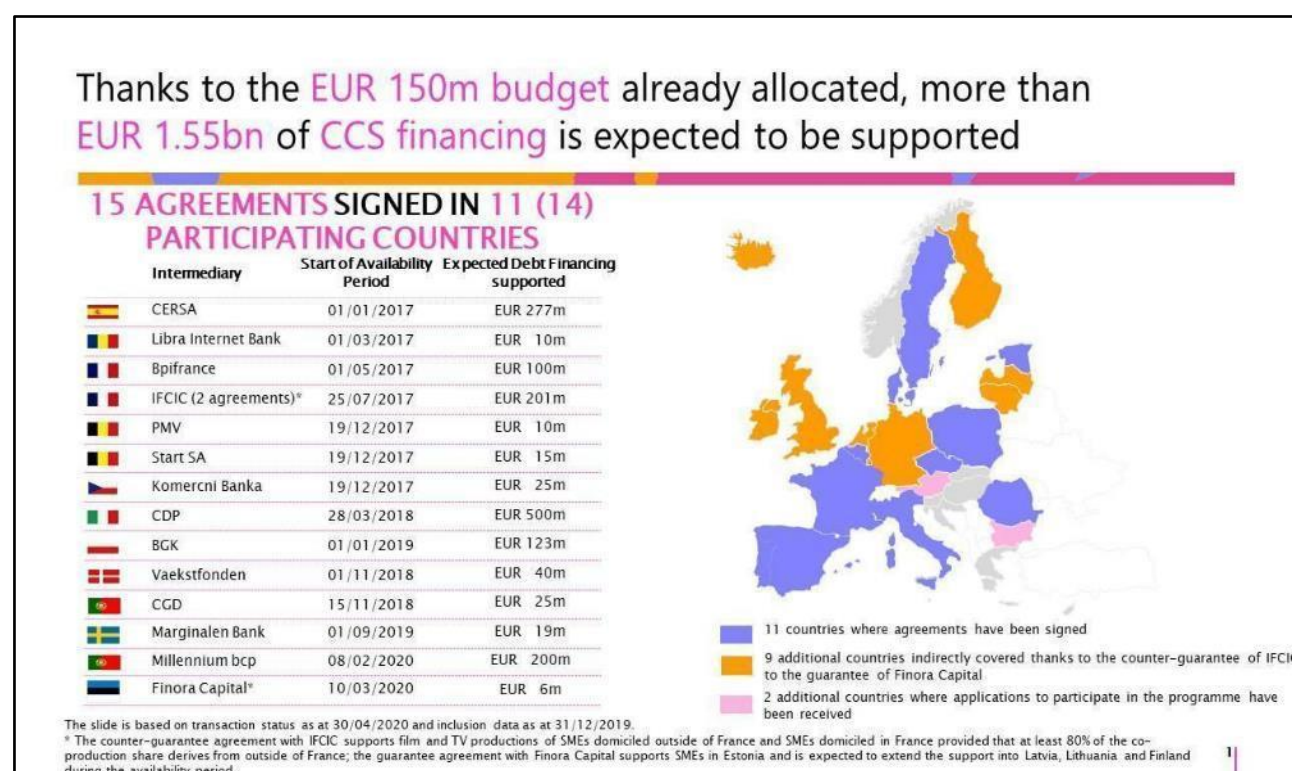
Source: EIF website

https://www.eif.org/what_we_do/guarantees/cultural_creative_sectors_guarantee_facility/businesses_active_in_the_ccs

More information for businesses on how to apply and their national situation and for financial intermediaries are available on the website (www.eif.org). A call for expression of interest is open until 31 October 2020.

An italian example: Banca Etica bond for enterprises of the cultural sector

From 2019 Banca Etica (Ethic Bank)[38] proposes specific support to the Cultural sector enterprises, through the establishment of favourable credit terms for the organisations operating in the sector.

In September 2020 the Bank placed a 15 millions bond to be converted in credit for the valorisation and support of the cultural sector in Italy.

Information about the use of this fund and the outcomes will be available yearly, through the impact report of the Bank.

A Spanish example: CREA SGR for the CCI

CREA SGR is a Spanish national non-profit financial institution specialising in the cultural industry, created by EGEDA and the Ministry of Culture fifteen years ago and subject to the supervision and inspection of the Bank of Spain. The objective of CREA SGR is to achieve and improve the financing of SMEs in the cultural sectors by guaranteeing operations before financial institutions.

In this way the projects approved receive the best conditions on the market. CREA SGR has signed agreements with the main banks in the country. As the banks have a guarantee that covers the total risk of the operation, they offer the same conditions and terms as they give to their best clients as the risk of non-payment has disappeared for them.

Since the beginning of the activity, CREA SGR has formalised 8,407 operations for a total of 677 million euros.[39]

In this time of Pandemic crisis, the Institute is supporting on regional basis the CCI with exceptional financial instruments, with the aim to face the economic difficulties in which the sector has dropped.

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[38] https://www.bancaetica.it/

[39] Source: https://creasgr.com/

Non-Financial initiatives

The Knowledge and Innovation Communities for the cultural and creative industries

The European Institute of Innovation and Technology (EIT) in its "Strategic innovation Agenda for 21-27", launched in 2019 the proposal to fund activities of existing and new Knowledge and Innovation Communities (KICs) and support the innovation capacity of 750 higher education institutions.

The EIT's Knowledge and Innovation Communities[40] are partnerships that bring together businesses, research centres and universities. They carry out activities that cover the entire innovation chain: training and education programmes, reinforcing the journey from research to the market, innovation projects, as well as business incubators and accelerators. The EIT's role is to guide the process and set the strategies, but it's up to the Innovation Communities to put these into practice and provide results.

Of major interest for the CCI sector is the commitment to launch a **new Knowledge and Innovation Community to support innovation in the cultural and creative industries,** planned for 2022. It has been recognized that this sector has a high growth potential, many local grassroots initiatives and strong citizen appeal and is complementary to the existing eight KICs.

The EIT currently supports eight KICs which bring together companies, universities and research centres to form cross-border partnerships and the one supporting the CC sector, will be the ninth.

Each of them focuses on a different societal challenge, as described in the infographic.

From the 11.7.2019 EIT "Proposal for a Decision of the European Parliament and of Councilon the Strategic Innovation Agenda of the European Institute of Innovation and

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[40] https://eit.europa.eu/our-communities/eit-innovation-communities
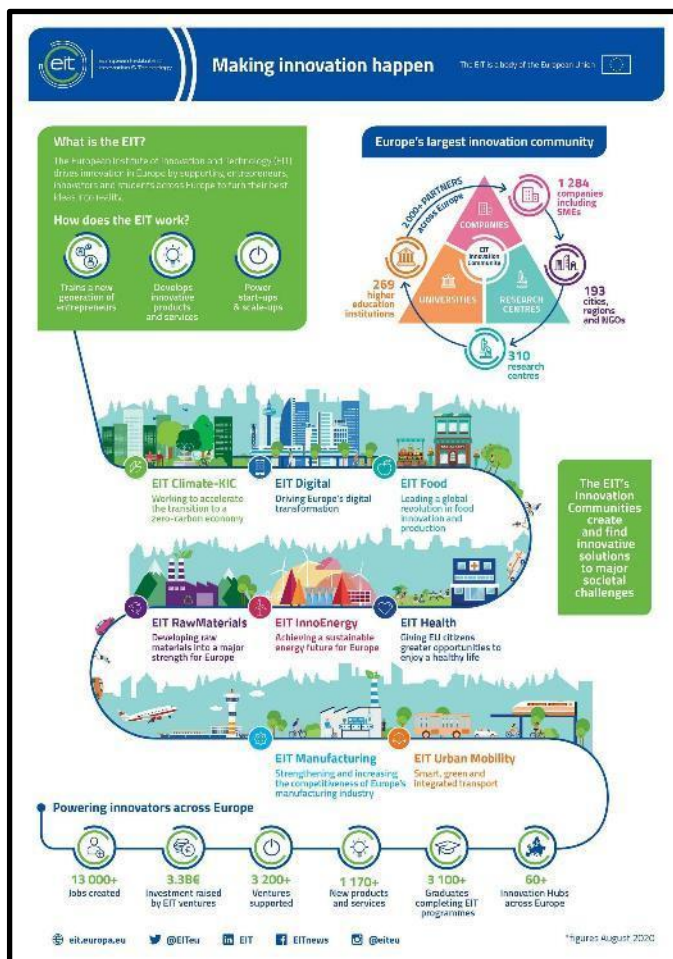
Technology (EIT) 2021-2027: Boosting the Innovation Talent and Capacity of Europe"[41]:

An EIT KIC on CCI will:

- Reduce the fragmentation of the cultural and creative sectors' innovation landscape by fostering the creation of innovation ecosystems that will connect actors and networks across sectors and disciplines at local, regional, national and EU levels.Train the next generation of innovators in the CCI sectors by equipping them with the necessary entrepreneurial and technical skills needed to thrive in a fast changing environment.

- Contribute to the development of the right framework conditions to transform ideas into new technological developments and social innovation that will improve the quality of life and benefit EU citizens.

- Foster the creation and development of new ventures in the cultural and creative sectors by mobilizing investment and long-term commitment from the business sector.

- Synergize with the existing KICs, as well as with other European partnerships, programmes and initiatives to drive innovation beyond cultural and creative industries in other sectors of the economy.

- Strengthen the EU position as a global actor in CCI by harnessing Europeans' creativity and cultural diversity.

START UP EUROPE

Startup Europe[42] is an initiative of the European Commission to connect high tech startups, scaleups, investors, accelerators, corporate networks, universities and the media. It aims at strengthening networking opportunities for deep tech scaleups and ecosystem builders to accelerate the growth of the European startup scene. It is supported by a portfolio of EU funded projects and policy actions such as the EU Startup Nation Standard, Innovation Radar and the Digital Innovation and Scale-up Initiative (DISC).

For the CCI world in the MED region the most interesting is DISC, an initiative raised by the assumption that digital startups in the Central, Eastern and South Eastern Europe (CESEE) region face an investment gap compared to innovators in other European regions. To address this gap in a geographically targeted way the Digital Innovation and Scale-up Initiative (DISC) was launched in

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[41] https://ec.europa.eu/education/sites/education/files/document-library-docs/proposal-decision-eit-2021-2027-annex.pdf

[42] https://ec.europa.eu/digital-agenda/en/about-startup-europe

2019 by the European Commission in cooperation with several other international institutions. DISC pursues these aims by addressing the existing market gap,enhancing investments and strengthening technical assistance programs focused on digital innovations and the scale-up of digital startups in the CESEE region.

DISC develops many opportunities for the CCI sector, enhancing investments, strengthening technical assistance and promoting an enabling environment focused on digital innovations and digital startups in the CESEE region. A very interesting example is the still Open Call of Media Motor Europe[43]: will support a minimum of 60 startups/scaleups as core beneficiaries throughout a 2-year timeline. There will be three support cycles of the MME programme and the second is open now. MME is looking for innovative European deeptech startups and scaleups targeting some of the biggest challenges and needs that the media sector faces, such as fake news, more advanced human machine interaction, protection of personal data.

Image: Media Motor Europe Open call

The Smart Specialisation Strategy (S3) platform on Cultural and Creative Regional Ecosystems

Cultural and Creative Regional Ecosystems (CCRE-S3)[44] is a newly supported **thematic area under the S3 Platform for Industrial Modernisation**. It aims to stimulate new insights and opportunities related to cultural and creative experiences for local communities and residents, through public-private investments involving related groups of professions that use, apply and implement new technologies for the sector.

CCRE-S3 is the result of collaboration in the field of CCI between three active member regions of the Conference of Peripheral Maritime Regions (CPMR), namely Aragon (ES), Tuscany (IT) and Western Greece (EL).

The Cultural and Creative Regional Ecosystems aims to stimulate new insights and opportunities related to cultural and creative experiences for local communities and residents by involving four groups of professions that use, apply and implement New Techologies within the CCI sector:

- Creative entrepreneurs (including arts and design), architects, urban planners;

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[43] https://mediamotoreurope.eu/join-us-startups/

[44] https://s3platform.jrc.ec.europa.eu/cultural-creative-regional-ecosystems

- Cultural heritage professionals within cultural institutions;

- Cultural & Creative intermediaries and managers (institutions and cultural operators promoting participation, cultural engagement and communication on cultural experiences/offer enhancement);

- Publisher professionals and professionals of the audio-visual sector involved in different forms of cultural production (including digital forms).

CCRE-S3 will promote CCI investments and collaborative projects driven by **DIGITAL TECHNOLOGIES** (Georeferenced Information Systems, Seismic, acoustic and ultrasonic sensors, Drone Remote Sensing –UAV, Digital photogrammetry and 3D/4D modelling, IoT, protocols, Advanced Multimedia, Mobile App, Smart Guides, Gamification and serious games, Extended Reality, 5G deployments, etc.), **PHOTONICS** (Laser systems for restoration, Laser tools for diagnostics and archeometry, X-ray and tomographic apparatus, Holography and laser show, etc.) and **OTHER KETs** (Nanomaterials for deacidification, cleaning, consolidation, Biomaterials for restoration, Microwave treatment systems, Nanotubes for controlled heating, etc.).

Also, **CCRE-S3 will nurture a multi-stakeholder dialogue to unify outlooks for new models of CCI** based on Human-Centred Design of user experiences, Circular Economy Creativeness and City/Territory Regeneration, and Open and Collaborative Innovation paradigms.

This consortium is also supported by the Conference of Peripheral Maritime Regions (CPMR), bringing together more than 150 Regions from 24 States from the European Union and beyond, and campaigning in favour of a more balanced development of the European territory.

An interesting insight is that all the participating regions are in the MED Programme Area (see map).
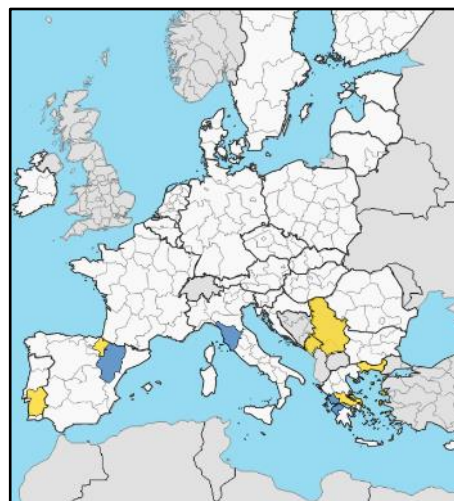
The Smart Specialisation Strategy (S3) platform on Industrial Modernisation

The Smart Specialisation Strategy (S3) platform on Industrial Modernisation has identified a number of R&I strategies that focus on CCI and explore new linkages between local assets, potential markets and societal challenges through the involvement of a large set of entrepreneurial actors. In particular, the promotion of new partnerships between research organisations, enterprises and public authorities is a major concern of S3 strategies, calling for the set-up of new collaborative platforms.

Conclusions

The present Action Plan perceived the **main objective** of exploring and defining the intersection between Cultural and Creative economy and Social Innovation, in order to give advice and recommendations able to generate a fertile ground for the development of many other "Smart Atmospheres" in Mediterranean Area and, generally, in all the European Union territory.

In order to do so, a combined action of "strategies and actions definition" (Chapter 1) and policy and programmes analysis" (Chapter 2) had been performed, by keeping a constant connection with the SMATH project results and outcomes, which constituted the "lighthouse" for all the presented considerations.

The result of this work is a comprehensive Action Plan, targeted to policy makers at all level (from European to local), touching the most relevant issues for a further empowerment of a vital sector of the economy, a sector that in 2018 according to Eurostat, employed 8.7 million people, equivalent to 3.8 % of the total number of persons employed within the EU-28.

Of course, the COVID-19 pandemic event hit the cultural and creative sector very hard: OECD recently declared that "*along with the tourism industry, cultural and creative sectors are among the most affected by the current coronavirus crisis (…) due to the sudden and massive loss of revenue opportunities, especially for the more fragile players. This crisis creates a structural threat to the survival of many firms and workers in cultural and creative production*"[45]. Spending on recreation and culture in the G7 economies has decreased significantly: for instance, -10% UK, -7% Germany, -6% France and -5% Italy[46]. In Slovenia a survey shows that cultural workers expect the turnover of businesses to decrease

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[45] https://www.oecd.org/cfe/leed/culture-webinars.htm

[46] EOCD. (2020). Evaluating the Initial Impact of COVID-19 Containment Measures on Economic Activity.

https://read.oecd-ilibrary.org/view/?ref=126_126496-evgsi2gmqj&title=Evaluating_the_initial_impact_of_COVID19_containment_measures_on_economic_activity#page=5, (last accessed 14 June 2020)

by an average of 44% in 2020 and 63% of cultural entrepreneurs felt that state measures were insufficient to cover the losses[47]. In France, the National Centre of Music (CNM) estimates the losses generated by COVID-19 on live performances to be between EUR 1.7 and 2 billion[48].

For these reasons, the importance of a stronger and more efficient action towards an empowerment of the cultural and creative sectors in Europe, and in particular in the Mediterranean Area, is evident.

Following the rationale of the SMATH project, the present Action Plan is structured around a general objective, followed by 3 specific objectives specifically (but not exclusively) targeted to 2 different categories of stakeholders. The transition from objectives to strategies includes two steps: a couple of transversal actions (S0/A and S0/B) followed by two intervention areas (the specific CC economy and the relationship between the CC economy and the other productive economies), which list down 9 different strategic lines, with related sub actions. Please see the figure below:

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[47] 9 Eva Matjaž, Polona Černič, & Teja Kosi. (2020). Slovenski Kulturno-Kreativni Delavec v času COVID-19. Poligon Kreativni Center

[48] 10 Festivals ou Concerts de Musique. Le Seul Secteur du Spectacle Vivant Musical Accuse 2 Milliards de Pertes. (2020, May 27). La Tribune. https://www.latribune.fr/entreprises-finance/services/tourisme-loisirs/spectacle-vivant-musical-lecnm-evalue-les-pertes-a-pres-de-2-milliards-d-euros-848766.html

THE SMATH ACTION PLAN

GENERAL OBJECTIVE

How to strengthen the impact of CCIs on the MED economy
and its relationship with social innovation?

SPECIFIC OBJECTIVES

With a more CC oriented policy design	With a more powerful capacity building	With a more efficient operative decision making
to help national and regional decision makers to better regulate and deploy *favorable environments for CC sectors* development and networking	to orient the action of CC actors, within and outside the strict cultural and creative environment, towards a *more impact-based approach*	to increase the knowledge of both policy makers and CC actors about the *existing legal and financial framework* for the CCS

← POLICY MAKERS   BOTH   CC OPERATORS →

MAIN, BUT NOT EXCLUSIVE, TARGETS

STRATEGIES AND ACTIONS

TRANSVERSAL

PRE-REQUISITES

S0-A Networking among CCS	S0-B Networking with traditional enterprises

SPECIFIC

For the CCS system as specific economic sector	For the CCS in relationship with other economic sectors
S1 Harmonized classification of CC actors in EU	**S6** CCS and tourism *cultural & creative heritage as the engine for valorizing minor destinations and for favoring inclusion cooperation between local CC actors & tourism managers applying new creative way of place-telling*
S2 Empowering policy makers *insisting on public private partnership for CCS tailored-made & non-occasional financial programs mutual learning and best practice exchange*	**S7** CCS, social inclusion and social cohesion *cultural engines as channel to valorize diversity creativity-based Learning as a tool for social inclusion using creativity as a tool for community development through social innovation*
S3 Creativity – based education *creativity as a fundamental transversal skill educational methodologies using creativity as a tool creativity-based approaches in dual education*	**S8** CCS and natural and urban environments *NATURAL* *role of CC actors in environmental promotion campaign wider use of sustainability assessment methodologies scientific results more accessible through creativity* *URBAN* *better urban infrastructures for creative communities new indicators to measure positive impacts of CC initiatives in urban environment and related communities CC actors as community shaping engines*
S4 Better access to markets for CCS *visibility of CC actors services and products in markets big and micro actors as distinct targets for CC policies supporting CC actors in building new digital skills merging between CC actors with other sectors*	
S5 Access to financial resources for CCS *new and more accessible financial instruments new ad-hoc financial players or specialization of existent communication & training on financial instruments enabling skills (business, sales & marketing management) aggregation of CC actors in more structured realities*	**S9** CCS and digital economy *cooperation between arts and technology for hybridations promoting participation of Cr. NESTS on EU level initiatives increasing the digital skills of CC actors (using ERDF)*

Summary tables

The present paragraph reports, and explodes, the figure above, by listing all the specific suggestions produced by the SMATH action plan in Chapter 1.

The pre-requisite

SO (A & B) Newtorking among CCS and with other economic sectors and traditional enterprises	
Actions	**Policy Level**
SO/A NETWORKING AMONG CCS	
0A.1 adapting the _priorities of the next programming period_ (2021 - 2027) in order to favouring the creation or of "networks of cultural and creative enterprises" (ie. ERDF) or their empowerment (ie. ESF)	Regional, Local
0A.2 placing _social innovation_ as a glue for strengthening cultural and creative clusters and for increasing their quality, sustainability and ready-to-market value chain	National, Regional, Local
0A.3 promoting _network-oriented rewarding systems_ for tendering and / or public procurements, where the ability of creating network is a value, also at local level	Regional, Local
0A.4 favouring the generation of _new solutions, products and services_ based on the cooperation between creative SMEs and cultural engines	Regional, Local
0A.5 designing public procurements and call for tenders / proposals _awarding networking among CCS as an added value_ in the project/service assessment;	Regional, Local
SO/B NETWORKING WITH TRADITIONAL ENTERPRISES (SECTORS)	
0A.6 paving the way for a _stronger relationship between traditional enterprises and cultural and creative economy_ based on creative thinking (contamination between schools, research, CC actors and traditional enterprises)	All levels

0A.7 creating the new profile and CV of the _"cultural - creative clusters manager"_ at local level, with the aim of guiding the process of networking and of favouring the connections between cultural engines, value enhancing services and other traditional economic sectors;	National, Regional, Local
0A.8 introducing a more effective _use of STEAM approach in schools_, in order to equip students with a vision able to turn creativity and cultural heritage into applicable market-oriented solutions or business proposals	National, Regional
0A.9 establish or make permanent fruitful EU level _facilitators experiences delivering financial and nonfinancial support_, in order to enhance cross-sectorial and multidisciplinary collaboration among CC and not CC actors, fostering hybridization among them	European

Strategies for the Cultural and Creative economy as a specific sector

S1 = to harmonize the classification of Cultural and Creative actors in Europe

Actions	Policy Level
1.1 agreeing on _shared criteria for the classification of cultural and creative actors_ (enterprises, but also not for profit organization or associations), based on common classifications (ie. NACE - ATECO Codes)	EU, National

S2 = to empower policy makers, at all levels, in creating a favourable environment for CCIs

Actions	Policy Level
2.1 establishing new and more powerful _Public Private Partnership for cultural and creative sectors_, by promoting clustering (ie. Creative Nests and Smart Atmospheres) and hybridization networks	Regional (ESF 2021 - 2027)

2.2 designing *tailored made and non-occasional financial programmes* supporting profit-oriented cooperation of creative SMEs and Cultural Engines in the start-up phase	European, National, Regional
2.3 generating more occasions for *mutual learning and best practice exchange* among public officers (local, regional, national) about both transferable policies and replicable actions	All levels

S3 = to recognize "creativity-based education" as a pillar for the future educational systems in Europe

Actions	Policy Level
3.1 Equipping more students with *creativity as a fundamental transversal skill*, independently from the school's path, reshaping curricula in this perspective	National
3.2 Improving the use of *educational methodologies using creativity as a tool*, especially in secondary and high schools: design thinking, creative thinking, problem solving,	National, Regional
3.3 Favouring the adoption of *creativity-based approaches in the school-work experiences*, focused on "problem solving" and on "critical-thinking" models potentially leading to business ideas or innovations, in opposition to the conventional repetitive work experiences.	National, Regional

S4 = to improve the access to markets for CC products and services

Actions	Policy Level
4.1 increasing the *visibility of CC actors services and products in regional, national and international markets*, including more efficient audience development actions	All levels

4.2 considering medium-big CC players able to operate at national / international level and small-micro actors operating at local level as _distinct targets for CC policies_	Regional, Local
4.3 supporting CC actors, especially the so called "cultural engines", _reaching new digital skills_ and competences to reach new market shares and to be more resilient	Regional
4.4 favouring the _merging between CCIs services and products with other productive sectors_, such as tourism, health, education, social inclusion, etc.	National, Regional

S5 = to increase the capacity of cultural and creative actors to access to financial resources

Interreg Mediterranean smath

Actions	Policy Level
5.1 shaping _new and more accessible tailored made financial instruments_ such as venture capital and guarantee funds, loans, incentives, calls for projects and calls for tenders mechanisms for enterprise in seed, early-stage and growth stage of development. Approaches and methods should be differentiated in consideration of the applicant profiles and sub CC sectors peculiarities	European, National, Regional
5.2 promoting the creation of _new ad-hoc financial players or the specialization of the existent ones_, capable to read and analyse the peculiarities of the sectors and becoming a real interface for its actors (for ex. capable to valorise immaterial assets), also giving consultancy for their financial sustainability and pre-market assessments	European, national
5.3 developing _communication and training campaigns among CC actors_ on the available financing mechanisms, such as crowdfunding, as well as on "cultural engines potentials" in generating joint business ideas	Regional, Local
5.4 focusing on _enabling skills (business, sales & marketing management)_ of cultural and creative actors, especially small and micro enterprises and not for profit associations	National, Regional

5.5 favouring the _aggregation of small and micro CC actors in more structured economic realities_ (companies, consortia, etc...) at local level, in order also to support scale-up initiatives which promote the sector as a whole	Regional, Local

Strategies for the CCS in relationship with other economic sectors

S6 to recognize the crucial role of culture and creativity in the valorization of local destinations

Actions	Policy Level
6.1 boosting regeneration and preservation of marginalized and peripheral destinations by _valorising their peculiar and authentic cultural and creative tangible and intangible heritage_, following a bottom-up and person-centred approach (public participation and local community involvement)	Regional, Local
6.2 increasing the _cooperation between local creatives and cultural and tourism managers_ for a better accessibility and visibility of local heritages	Regional, Local
6.3 creating experience-based attractions by exploring and applying _new creative way of place-telling_ focused especially on intangible heritage, supporting residents sense of belonging	Regional, Local

S7 to increase the importance of cultural and creative actors as key players for social inclusion

Actions	Policy Level
7.1 empowering the role of cultural engines as an _universal channel to vehiculate the positive values of diversity_, thus creating more cohesive communities	Regional, Local

7.2 increasing the use of _creativity-based Non Formal Learning_ as a tool for social inclusion and equity at all levels of the education system	European, National, Regional
7.3 favouring the adoption of person-centred of effective actions and practices using creativity as a tool for _community development_ through social innovation approaches	National, Regional, Local

S8 to enforce the presence of cultural and creative actors in natural and urban decision making	
Actions	**Policy Level**
Natural environment	
8.1 increasing the involvement of _CC actors in raising awareness and dissemination activities_ in the framework of environmental programmes and projects;	All levels
8.2 promoting regenerative approaches _based on sustainability assessment_, which includes social determinants and involves CC actors;	National, Regional, Local
8.3 activating CC actors for the definition of new languages able to _make scientific results more accessibl_e for non-scientific stakeholders, citizens and communities;	National, Regional, Local
Urban environment	
8.4 promoting the development of _appropriate urban infrastructures_ contributing to the emergence of creative communities in collaborative /multidisciplinary spaces;	Regional, Local

8.5 developing effective methodologies and indicators to _measure the impacts of cultural and creative activities on wellbeing and living condition_ in urban areas;	European, National
8.6 boosting the _role of cultural and creative actors as a community shaping_ engine firstly, and only secondly as an urban regeneration actor;	European, National, Regional,

S9 to increase the digital dimension of cultural and creative products and services	Interreg Mediterranean ● smath
Actions	**Policy Level**
9.1 enabling _collaboration between art and technology_ to achieve sustainable innovation on a local (urban) and regional level, supporting triggering initiatives (ie. Creative Nests, STARTS projects) and developing physical and immaterial spaces where CC professional can share and hybridate	European, National
9.2 ensure the participation of the Creative Nests representatives to the _pan-European network of Digital Creative & Innovation Hubs_ (Initiative 3 of the Digital4Culture strategy)	European, National, Regional
9.3 activating priorities in the framework of 21-27 Structural Funds for _increasing the digital skills_ of cultural and creative industries (ie. ESF 2021-2027)	Regional

Annexes

BOX #1: Upstanding project

STARTS[49] (Science, Technology & the Arts) is an initiative of the European Commission, launched under the Horizon 2020 research and innovation programme. Its purpose is to support collaborations between artists, scientists, engineers and researchers to develop more creative, inclusive, and sustainable technologies.

S + T + ARTS

Since 2016, more than 100 collaborations have been supported by the STARTS initiative, especially through WEAR SUSTAIN, STARTS PRIZES and STARTS RESIDENCIES. Many of these teams have managed to create prototypes and innovative solutions that have the potential to develop further and scale up.

STARTS is sustained by the STARTS Pillars that represent all the dimensions STARTS works with. Different funded projects offer complementary opportunities and services. The platform STARTS.eu aggregates all the pillars and aims at gathering the whole STARTS Ecosystem, offering specific services and functionalities to develop, strengthen and enlarge the community. Actors from all over Europe support STARTS collaborations, using their dynamism and experience to add the + that makes S T ARTS alive.

STARTS Pillars are:

1. STARTS RESIDENCIES: organizes, funds and monitors 45 artist residencies within Tech projects. The selected artists contribute to the innovative aspects of Tech projects' research by bringing original perspectives through artistic practices. Those practices naturally lead to an original artwork based on the project technology featuring novel use-cases with a high potential for innovation

2. STARTS PRIZE: art is assigned the role of catalyst that propagates scientific and technological knowledge and skills among the general public and triggers innovative processes.

3. The annual STARTS Prize gives visibility to collaborations between artists and industry for new pathways to innovation, and to artistic exploration of technology altering the use, deployment and perception of technology.

4. STARTS Lighthouse Pilots: support research seeking radically novel technology solutions to major challenges for industry and society, in close collaboration with artists. The Lighthouses aim at guiding EU innovation actions towards more systematic inclusion of the arts.

5. STARTS ACADEMY: with already more than 1.000 participants, strive to bridge the gap between art and technology at all levels of education. They unite technologists and artists to teach digital skills to kids and young adults in a playful way that also helps to raise awareness of the opportunities, limits and potential pitfalls harboured by technology.

Regional STARTS Centers: to expand the STARTS initiative on a local level towards a number of European regions. The 6 partners of the consortium work at developing a network of players

interested in creating local centres in the spirit of STARTS and public activities that strengthen collaborative practices between the fields of art, industry, business, and research.

BOX #2: Upstanding project

Worth Partnership Project

WORTH Partnership Project is funded by the European Commission under COSME, the EU Programme for the competitiveness of Small and Medium-sized Enterprises.[50]

WORTH is the sole European project where designers, SMEs, manufacturers, and tech providers work together to develop innovative, design-oriented business ideas. Mixing competences and share objectives is the real added value of the project and are concretized in new products and offers.

The project focuses on lifestyle industries, including textile and clothing, footwear, leather and fur, furniture, and home decoration, jewellery and accessories. It provides companies with an incubation programme to develop new businesses, including a) 10.000 € in financial support; b) coaching on business strategy and technology development; c) legal advice on intellectual property rights and protection; d) participation in exhibitions; e) networking and professional links.

Launched in 2017, WORTH is now in its fourth and last year of implementation. 152 transnational partnerships have been selected in three calls for proposals, involving 350 partners from 34 EU-COSME countries.

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[49] Source: https://www.starts.eu/

[50] Source: https://www.worthproject.eu/