

# D.T3.4.3 - MANAGEMENT AND FINANCING OF CULTURAL HERITAGE MODEL FOR THE BENCIC COMPLEX

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City of Rijeka

Version 1

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2 | 2022

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## STRUCTURE

### 1. Introduction

Cultural heritage is considered as an important driver of economic development and social cohesion. Cultural heritage can be used to support sustainable tourism and to establish cultural and creative industries, which can contribute to increased local employment, social inclusion and quality of life.

The main factors of insufficient care for heritage are lack of awareness of its values, lack of political will, weak and insufficient investments, lack of documentation and research, illegal traffic in movable cultural goods, insufficient incentive measures for heritage maintenance, insufficient connection and coordination of the sector of activity that directly affects cultural heritage such as spatial planning, tourism, economy and insufficient institutional and national heritage care.

City of Rijeka, as part of the ForHeritage project and in this document, specifically deals with this increasingly relevant topic. For the needs of the pilot project of the Benčić complex, this management and financing model was analyzed in detail and created with the possibility of looking at potential sources and forms of financing, new trends and current local policies.

Cultural assets preserved in the area of City of Rijeka, consists of five protected cultural and historical entities, one archaeological zone, forty-three immovable individually protected cultural assets and one cultural asset of local importance. In the status of preventively protected immovable cultural assets, there are two archaeological zones and five individual immovable cultural assets and one intangible cultural asset.

### 2. Current situation in funding of cultural heritage in City of Rijeka

At the local level, City of Rijeka provides funding for cultural needs with funds from the budget. These funds are intended to support programs and projects, activities and manifestations in culture of interest to the City of Rijeka, and are allocated on the basis of a public call that is published once a year. Art organizations, artists, associations, other natural and legal persons in the following activities and fields, one of the fields of activity of which is also the protection and preservation of cultural assets, can apply on the Public Call.

Through the call in Culture programs, programs for the protection of movable and immovable heritage, scientific research programs, meetings and lectures, and publishing programs in the field of protection and preservation of cultural assets are co-financed. These funds are intended for co-financing the improvement and protection of immovable cultural heritage, for example the restoration and protection of sacred monuments or the facades and roofs of buildings. Another way of financing and preserving the cultural heritage in the City of Rijeka is from the funds of the monumental heritage. In recent times, with the opening of the structural and cohesion fund, it has been possible to withdraw significant funds for the realization of projects in the field of culture, especially those projects related to tourism, urban renewal and economic development.



### 3. Local policies in the sector of cultural sites

One of the basic strategic documents for the comprehensive development and overview of the local sector and cultural sights is the City of Rijeka's Cultural Development Strategy for the period 2013-2020. It stems from the understanding that culture is an invaluable and unique social value that enriches the spiritual dimension of our lives and gives us the possibility of better communication and more successful development, both of individuals and of the community as a harmonious whole.

The cultural policy of the City of Rijeka is based on the principles of comprehensive accessibility of culture, active participation of citizens, freedom of cultural and artistic creativity, encouraging the quality of artistic creativity and encouraging cultural diversity and multiculturalism. The cycle of building new facilities for cultural activities, the first in the city's history, as well as the entire spectrum of the EPK 2020 project program, was achieved mainly from two sources - European Union funds and the City of Rijeka Budget. The realization of the stated strategic goals of culture implied a significant allocation from the Budget of the City of Rijeka for culture, as an extremely successful investment. At the same time, the foundations of the development of all cultural activities were strengthened and the city's urban circle itself was revitalized.

### 4. Emerging trends and issues in financing of cultural heritage

The improvement of public policies is necessary in terms of clearly and specifically defining the indicators that will influence the financed projects on the development of local communities, that is, regional development. A strong focus is needed on the synergy between culture and education, which is a new opportunity for heritage challenges related to insufficient knowledge in the field of cultural management. Heritage financing policies support the creation of models of durability and sustainability of heritage, not only at the level of individual localities, but also by incorporating them into regional, national and international policies.

The whole complex of new cultural segments on the one hand, and the accompanying problems on the other hand, makes it difficult to find new sources of funding. Although the EU provides considerable funds for the restoration of cultural heritage, the issue of optimal use of these funds is very important. Heritage-based development is important even in the current financial period, and cultural heritage can play a significant role in achieving the goals for smart, sustainable and inclusive growth. One of the new visible trends is the green transition and digitization, which can be used in the field of heritage in a fairly wide range.

### 5. Potential public sources of financing of cultural heritage in the City of Rijeka

#### 5.1. EU

The EU provides direct funding through grants and indirect public funding through national/regional government bodies or through financial intermediaries. Direct funding consists of grants provided through special calls for proposals, which in most cases represent a means of co-financing European Union projects with regard to policy objectives.

The successful application of projects by the Department of Culture in the City of Rijeka are funding from the Structural and Cohesion Fund that resulted in the following approved projects: Tourism valorization of representative monuments of Rijeka's industrial heritage, Cultural-tourist route "Putevima Frankopana",



Revitalization of the Benčić-Cigleni complex and T-object and Connectin heritage as the largest projects in terms of financial and spatial involvement.

## 5.2. National

As one of the ways of financing cultural heritage, City of Rijeka also uses funds from national sources, for example funds requested through the Ministry of Culture.

## 5.3. Local

At the local level, City of Rijeka uses funds from the Primorje-Gorski Kotar County budget to carry out permanent or one-time targeted interventions in the financing of cultural heritage.

## 6. Financing from private sources of cultural heritage

Speaking of private sources of financing, we can distinguish the following types of financing listed below.

### 6.1. Donations and grants

Investments by private owners are mainly focused on the maintenance of residential buildings in protected units or detached manor houses. In recent years, there have been examples of investments in cultural heritage objects for the purpose of achieving economic activity. The owner's investment in movable heritage comes down to the necessary maintenance of, for example, private collections.

### 6.2. Program related revenue

City of Rijeka finances part of its cultural heritage maintenance activities and the financing of various programs with revenues related to programs that are returned to the budget.

### 6.3. Other standard financing sources

Cultural rent is also a measure used to finance protection and conservation, especially as a financial incentive for stronger economic use of cultural assets. The cultural rent in its application up to now was mainly used for the protection and preservation of cultural assets, where it is equally invested in the renovation, research, but also the maintenance of the existing heritage

## 7. Alternative/innovative approaches of cultural heritage financing

One of the newer categories of financing methods is the Public-Private Partnership, which implies cooperation between public authorities and the private sector, either at the central or local community level, with the aim of meeting some public need. In the broadest sense, PPP is a group of joint initiatives of the public sector and the private profit and non-profit sector, in which each entity contributes certain funds and participates in planning and decision-making. A newer way of financing can be a crowd founding campaign for a specifically open project.



### 7.1. Best practice examples

The city-community of Calcata in the Lazio region in Italy can be taken as an example of the excellent development of cultural tourism within a fortified historical city that has developed its cultural and tourist offer thanks to the investments of the local population in the complete renovation of the city, which was carried out in accordance with its historical appearance in order to preserve the spirit of the past. It can also be cited as an example of good practice for encouraging the development of traditional crafts and shops. The commune does not offer a large accommodation capacity, but it is perfectly adapted to the historical appearance of the city. It is a good example of the return of a large number of displaced population.

### 7.2. Implementation guidelines

One of the opportunities for the newer way of managing cultural heritage is digitalization. Digitalization brings new possibilities and ways of researching and using the contents of cultural heritage collections by providing new types of data, such as metadata, text, standardized data, big data and tools for data analysis and visualization, implementation of digital humanities projects, integration of open data and creation of new products.

## 8. Recommendations and conclusions

Cultural heritage resources are limited and exposed to decay, they are non-renewable, and in the case that they are renewable, they have a lower level of value because they have lost their authenticity and historical value.

The best purpose for the preservation of cultural, especially architectural heritage is a sustainable purpose, which is capable of maintaining it and avoiding or removing damages that reduce its value. Since heritage is spatial, like the entire space, it is one of the key resources, and spatial planning documentation is a fundamental instrument for planning sustainable use. City of Rijeka introduced and implements the protection of all types of cultural heritage with various financing models in order to preserve a part of history for future generations.