

2021

The International Year of Creative Economy (for Sustainable Development)



An Industry Insights Report

Delphi Economic Forum is a nonprofit, nonpartisan organization working in close cooperation with civil society, public organizations, businesses and individuals.

It engages business, political, academic, and other top experts in an effort to address emerging challenges, influence the national and regional agendas and promote sustainable and socially responsible growth policies for Greece, Europe and the Eastern Mediterranean region

This edition is a summary of the discussions on the creative economy that took place in Delphi Economic Forum VI on Wednesday, May 12, 2021.

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Foreword

CULTURE AS A FORCE OF TRANSFORMATION

The COVID-19 pandemic had a severe impact on the cultural and creative sector across the globe, effectively halting citizens' access to culture, at least the way we knew it. At the same time, it has acted as a catalyst, bringing to the surface decade-long systemic obstacles, related to labor issues, intellectual property, the need for innovation and upskilling, and access to finance, while also expediting the need for digital adaptation, if not transformation.

At the same time, the pandemic has urged nations, societies, and communities to regroup, rethink and revisit everything that was taken for granted, and redefine notions such as locality and globality, proximity and connectivity, sustainability, and growth.

Identifying the role that the cultural and creative industries can play within this emerging new context is key, not only for the industries themselves but for the national and local economies and societies as well. The cultural and creative sector must both transform itself and act as a transformative power at the same time.

Greece, until now, has been focusing primarily on the inherent values of culture. Realizing and understanding the added, functional values of culture is required to utilize its transformative power. Although Greece is considered a cultural powerhouse, this is not reflected in local cultural attendance, which is one of the lowest in Europe, cultural investment, cultural exports, as well as the overall characteristics of the cultural sector.

In this light, it is imperative to reform both the sector itself and the perceptions around it while providing support and the necessary tools, skills, and technology to cultural and creative professionals to become resilient, innovative, and impactful. At

the same time, the deployment of local cultural masterplans will help identify the resources, opportunities, and challenges of each region and can lead to the design and deployment of sustainable, customized, culture-centric growth ecosystems and better and more substantial access to culture for all citizens.

The Greek government made a strategic choice to utilize the financial support provided by the European Union in the form of the Recovery and Resilience Facility and proceed with much-needed reforms and investments in the cultural and creative sectors. These include:

- » Structural reforms such as a simpler and fairer labor and social security framework for cultural professionals that will encourage declared labor; therefore safeguarding workers' rights, a more effective mechanism to protect intellectual property, and the complete overhaul of tertiary cultural education.
- » Investments such as the revival of Greek craftsmanship, local cultural growth projects in regions with high unemployment, skill and capacity building programs, and support of the sector's digital transformation.
- » Innovative initiatives such as the implementation of an arts prescription program that will involve both healthcare and cultural professionals, an incubator and accelerator for the film industry, and the utilization of archaeological sites and monuments as performance venues.
- » Programs that lift barriers to cultural access such as improved accessibility for people with disabilities and persons over the age of 65 and audience development strategies across cultural fields.

- » Export-oriented strategies including translation grants for Greek books, residency and mobility programs for artists, platforms that showcase Greek artists, designers, and creators, e-commerce grants, and more.

By addressing, systemic issues head-on in a holistic manner, and by providing improved access to funding, improving cultural governance, building skills and capacity, and creating a new narrative for contemporary culture that connects all the dots, Greece will be able to maximize its creative potential across all citizens and harness the transformative power of culture.

Nicholas Yatromanolakis

Deputy Minister of Culture and Sports,
responsible for contemporary culture.

Hellenic Republic

Welcome note

THE CREATIVE ECONOMY - AN UNDERESTIMATED POWERHOUSE

It is hard to undervalue the benefits of successfully promoting the creative industries. With a pre-covid turnover of €643 billion and a total added value of €253 billion, the core activities of the cultural and creative industries (CCIs) represented 4.4% of EU GDP in terms of total turnover. An economic contribution greater than that of telecommunications or the automotive industry¹.

However, its impact is broader than can be measured simply by economic output.

While creating jobs, the creative economy contributes to the overall well-being of communities, achieving inclusive and sustainable development. It is essential for our cultural diversity, it strengthens social cohesion and increases a country's attractiveness internationally while offering positive spill-over effects on other sectors of the economy, such as the take-up of technology or tourism.

The United Nations declared 2021 as the "International Year of the Creative Economy for Sustainable Development" and after more than a year of pandemic-induced lockdowns, there couldn't be a better time for us at Delphi Economic Forum to appreciate the growth potential of the creative economy in Greece.

Our recent annual conference included a rich agenda of discussions and presentations aiming to stimulate a conversation about the need to support the domestic creative economy ecosystem by leveraging existing forces and cultural assets and to promote investment and activity through coordinated regulatory frameworks, data collection strategies and incentives. All these actions that are necessary to create the conditions for creative economies to thrive.

We are proud to publish this report for our audiences to read and consider. We hope that it serves as a useful resource and becomes a starting point for a serious discussion targeted at producing policies that will support the creative industries with a flexible and innovative approach engaging multiple stakeholders- business, academia, local authorities and others.

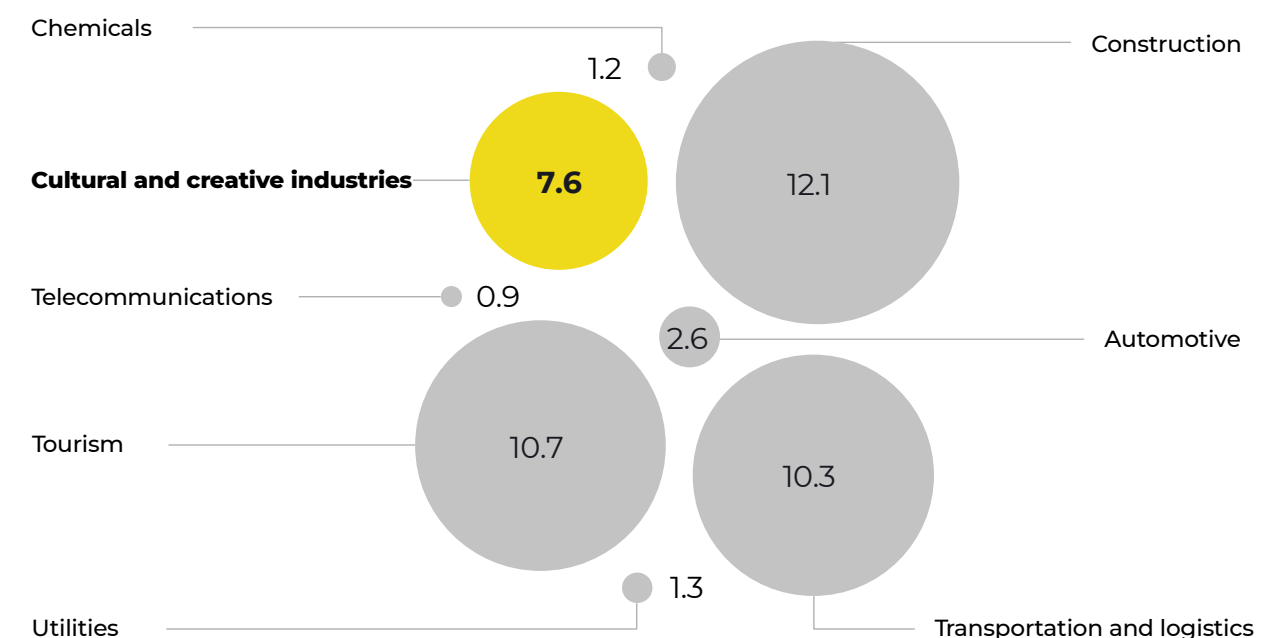
If we get it right, a vibrant ecosystem will offer a powerful opportunity: the potential not only to generate social value and sustainable employment but also compete more effectively on an international level and contribute to long-term GDP growth.

I would like to thank all the people that worked hard to coordinate the discussions, draft and produce this report. I am also grateful to our esteemed speakers who kindly accepted our invitation to participate in Delphi Economic Forum and contribute with their experience. Finally, a note of gratitude to Mrs. Elena Mavromichali, Strategic Advisor on Arts & Culture for her enthusiasm, time and careful attention to detail. Her continuous engagement was instrumental in curating the discussions and drafting this report

Yiannis Thomatos
Executive Vice President,
Delphi Economic Forum.

Employment by sector in 2019
(in million jobs; EU-28)

Sources: Eurostat - *Business Sector Profile*
EY modeling and analysis 2020.



1. Rebuilding Europe: The cultural and creative economy before and after the COVID-19 crisis, January 2021, EY Report commissioned by The European Grouping of Societies of Authors and Composers (GESAC)- <https://www.rebuilding-europe.eu/>

Keynote Speaker

John Howkins

Creative Economist, UK

**“2021: International Year
of Creative Economy
(for Sustainable Development)”**



The title of the year is important. It's the year on the Creative Economy for sustainable development and its purpose and theme is to show how creativity and innovation increasingly work together as a driver, the main driver for change and development, improvement towards a world that is global and sustainable.

And I think bringing these elements together marks a historic change in how we see creativity. The creative economy and how we see its relationship to global challenges. The year, to my mind, recognizes four important truths, it highlights them. It brings them out into the open.

The first truth is that the creative economy is central to society. It is not something on the edges, it is not marginal. It is not small. It grows out of deepest cultural issues, which are different in every country, and it is present in all sectors. So it is most evident in some sectors, but it is present as a multiplier force in all sectors.

The second critical factor about the creative economy is that it is essentially a humanistic enterprise. It is the first economy to be based on the human imagination; on human aptitudes and talents for creativity. It is not based on the traditional economic assets of land and labor, mass labor and capital. It uses land occasionally. It might need a bit of capital every so often. It might occasionally involve large numbers of people doing the same thing again and again, but they are not primary assets. That is a revolution in the way we think about the economy and indeed the way we think about society.

The third truth is what I call additionality; that creativity is always trying to add something. This ties in with the idea of added value. It is the most prolific, the most reliable source of added value.

And fourthly, there is what I call positivism, so we have additionality and we have positivism that is inherent in the creativity of the mind and the creative mindset and it goes beyond the economic. It is adding something better. It's making improvements, making something more beautiful, more elegant, more desirable. Maybe

practical, maybe faster, cheaper, more convenient. It is going beyond those transactional elements into the transcendental.

It is expressing something desirable about the quality of life that is not captured by economics and I think these questions of additionality, impulsivism, which have to do with the motives of people, with why people would want to be creative. I think they are driven very largely by additionality, positivism, and I think the underlying theme of the United Nations' International Year of the Creative Economy recognizes those two truths.

As a result of those truths and the Year making them public, we are engaging in a radical reset. It's a reset about economics, as I mentioned, it's a reset about our capital banking, the very few bankers in Silicon Valley. Why are there very few bankers in Hollywood? Why do these big enterprises, these big business tech developments not need bankers? This new thinking about interest rates, productivity, inflation. And there's a reset also of how and what we do contributes to a global community that is fairer and more sustainable for everyone.

The forum is meeting a year and a half after the outbreak of covid-19, a year and a half after a terrible global pandemic. Every individual, every country, every city, every village, every organization is faced with creating, navigating, developing, pursuing their own path of recovery out of the experiences of the last 18 months. And so this year, has added another theme responding to this, which is to support the recovery.

On the creative economy and sustainable development, we are adding this notion of let's think about how we can use these to aid, speed up the recovery. How we can make decisions today that will help us live the lifestyles we want to live tomorrow. Creative people, designers, I think are going to play a very critical role in that. And I think also cities are going to play a very important role. So I really welcome the UN decision to put creativity in the context of social goals, sustainable development goals. The impact is vast, it goes right over to the business concerns of the creative economy. ESG, environmental, social and governance issues impact investment.

Creative people got there first. They have been doing it for years, for decades, for centuries. So, this is real pathfinder stuff. I believe the United Nations and the Year have announced a new vision

of creativity. And I think they, and everybody who contributes to the Year, are making a contribution to the history of the creative economy. If you like it's giving us huge challenges. But I am confident in the fact that if I wanted to face those challenges, I would want to do it with the people in the world today, all over the world, who are creative, who are innovative, the artists, the practitioners, the companies they're working with, with city mayors and policy makers and governments who are sensitive to these issues, who understand what is happening and are using their policies to support and help in any way possible, people to be more creative for a purpose: to create a world that is diverse, fair and sustainable.

“Creative economy is essentially a humanistic enterprise. It is the first economy to be based on the human imagination; on human aptitudes and talents for creativity. It is not based on the traditional economic assets of land and labor, mass labor and capital.”

Mapping the Creative Ecosystem

Participants:

Julia Pagel

Secretary General,
Network of European
Museum Organisations
(NEMO), Germany

Vasilis Avdikos

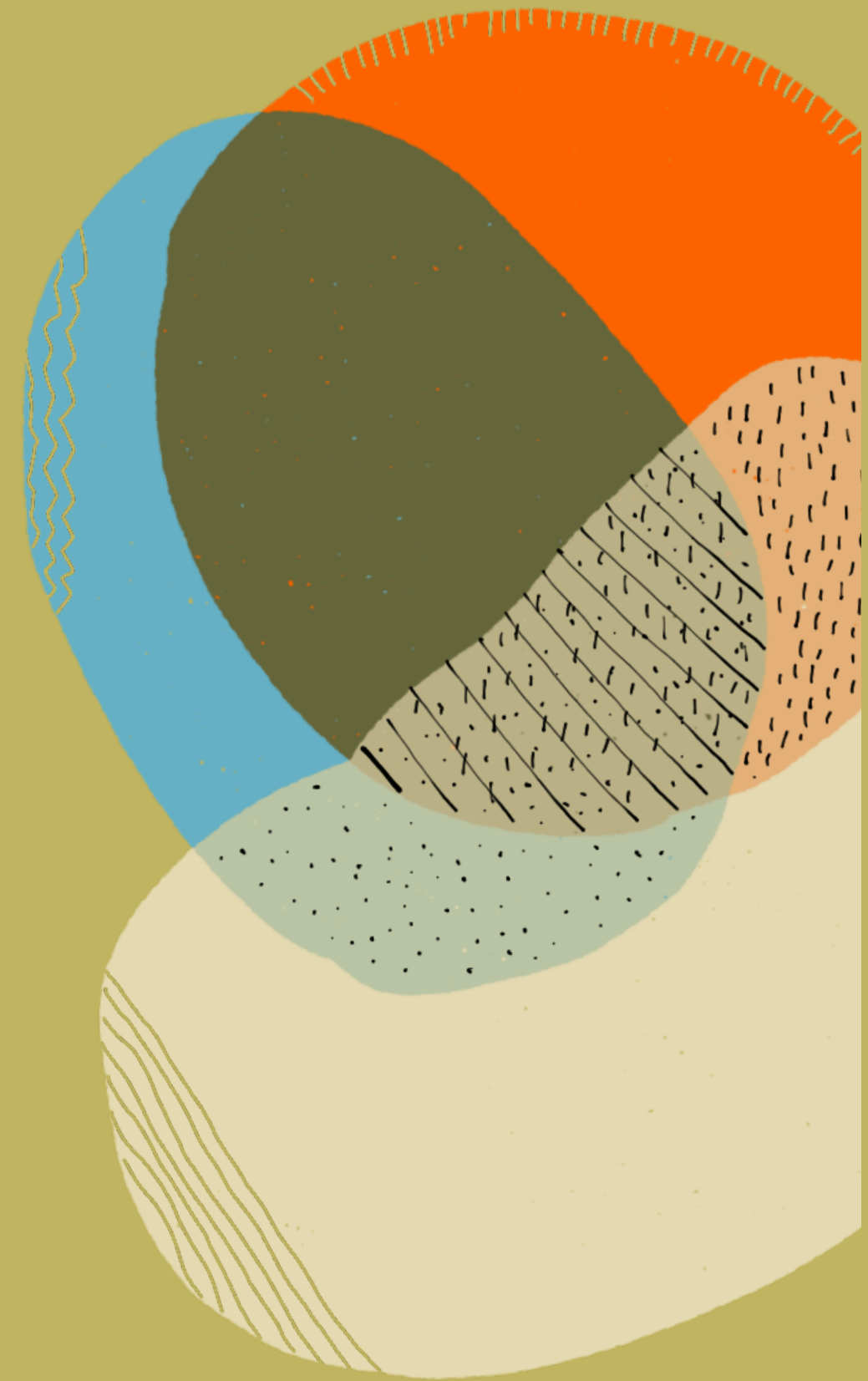
Assistant Professor,
Department of Economic
and Regional Development,
Panteion University, Greece

Andrew Senior

International Expert on
Creative Economy, UK

Chair: Vassilis Charalampidis

General Director,
BIOS Cultural Organization;
President, European Creative
Hubs Network, Greece



VASSILIS CHARALAMPIDIS (OPENING OF THE DISCUSSION)

The cultural and creative sectors are comprised of all sectors whose activities are based on cultural values and other artistic, individual or collective creative expressions. The cultural creative sectors are made up of 12 distinct subsectors: cultural heritage in museums, music, performing arts, festivals, visual arts, literature and books, media and press, audiovisual film, TV and radio, video games and multimedia design and fashion, artistic crafts and architecture. These are all sectors whose activities are based on cultural values and/ or artistic and creative expression, whether those activities are market or non-market oriented, irrespective of the type of structure that carries them out and how that structure is financed. These activities include the development, the creation, the production, the dissemination and the preservation of goods and services which embody cultural, artistic or other creative expressions, as well as related functions such as education or management.

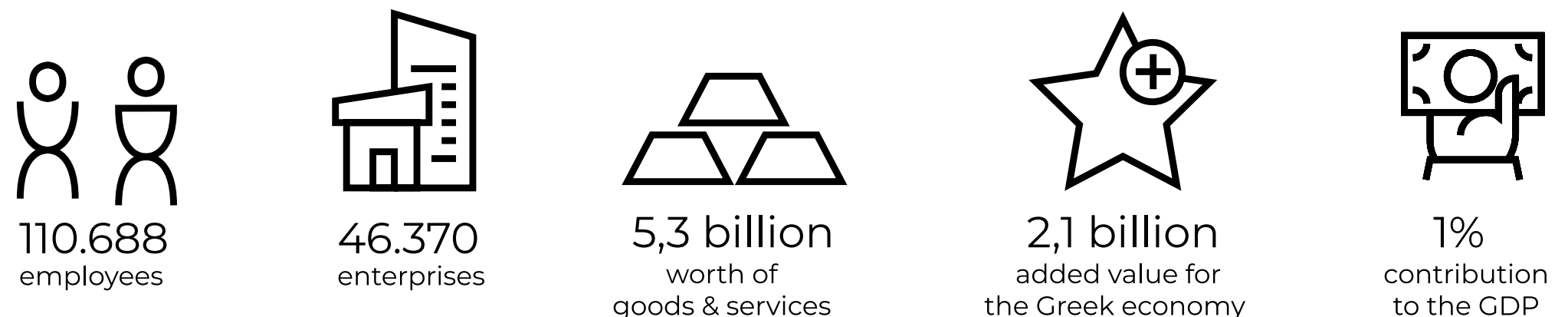
For the EU, the cultural and creative sectors are an important pillar of our society and economy. They are essential for cultural diversity, they strengthen social cohesion and increase Europe's attractiveness, internationally. They are also one of our most dynamic sectors with positive spillover effects on other sectors of the economy, such as the take-up of technology or cultural tourism.

The contribution to our economy is enormous, with as much as 4% of GDP and more than 7M jobs, it is more than the automotive sector in the EU. At the end of 2019, the cultural and creative economy was a European heavyweight with a turnover of 643 billion euros and generating added value of 253 billion euros the same year. Core activities of the cultural and creative industries represented 4.4 of the EU GDP in terms of total turnover. Therefore, the economic contribution of CCIs is greater than that of telecommunications, high technology, pharmaceuticals or the automotive industry. Between 2013 and 2019, the CCIs sectors experienced varied but constant growth rates, more than 4% per year for video games, advertising, architecture and music, and between 0.5- 3% for audiovisual radio, visual arts, performing and art and books. Only the press suffered a -1.7%, and that's due to the difficult transition between print and online revenues. All the players point to a period of intense innovation, including the

demand for live experiences as well as the explosion in demand for online content with 81% percent of Internet users in the EU, using the Internet for music, video and games, in 2018.

DISCUSSIONS:

V. Charalambidis: Mr Avdikos has conducted the only mapping on the cultural and creative industries in Greece for the Ministry of Culture back in 2016. This is the overall picture of the creative ecosystem, the cultural and creative sectors in Greece in 2014 employed 110.688 employees in 46.370 enterprises, which sold symbolic goods and services of about 5, 3 billion, with about 2, 1 billion added value for the Greek economy and 1% contribution to the GDP. The financial crisis, which in Greece essentially began in 2009, had a strong impact on the CCI key figures. From 2008 to 2014, the added value decreased by 55%. The number of employees was reduced by almost 30% and the prices decreased by again, almost 30%. Further decrease is evident up to 2018.



Julia Pagel: NEMO is a network representing the museum community in Europe. We advocate for museums vis-à-vis policy makers, mostly EU institutions. We initiate and support international cooperation between museums. We act as an information platform and a place to share the practices, and we offer capacity building to museum professionals in Europe.

NEMO believes that museums are important sectors in the economy and the creative sector, and I would like to illustrate this valuable impact on the sector's creativity, tourism and other regeneration. According to the Eurobarometer, cultural tourism accounts

for 40 percent of all European tourism, meaning that 4 out of 10 tourists pick destinations based on their cultural offering. It is museums that are generally attracting tourists and thus promoting the growth of the hospitality, travel and merchandising industry.

The Dutch Rijksmuseum is one of the leading museums to encourage creativity with its Rijksstudio, which allows access to use its online collection and has generated publicity acts as a form of marketing for the museum itself. Rijksmuseum's objects are under the Creative Commons license for free use including for commercial reasons and are now found on products like milk cartons and children's toys, which increases the museum's visibility.

They've even partnered with the online marketplace Etsy to inspire people to sell their creations. The Studio Awards were launched in 2014 to encourage artists and the public to draw inspiration from the museum collections and create new works of art. Previous winners include an online marketing and makeup line inspired by the art, a wallpaper design and a fashion design collection. The competition has placed the museum in the leading position in the world of digital image, culture and open de-

sign, encouraging a broad stroke of creativity. Let's have a look at the impact on tourism.

According to a study, the economic impact of the Louvre in Paris was a annual gross value of €938 million, a net tax gain of €39 million, and between 12000 and 18000 jobs created per year. The impact is therefore highly substantial in terms of public finances and employment and imagine that the study is 10 years old and the Louvre has amplified the visitors. Let's continue with urban regeneration, you might have heard of the so-called Bilbao or the Guggenheim effect.

The decision of the Guggenheim to find a new space in the Basque country, Bilbao, was a transformational project for the whole region in the 1990s, a catalyst for a wider plan to turn around an industrial city at the time, it was to be a driver of economic renewal, an agent of economic development that would appeal to a universal audience, and create a positive image and reinforce self-esteem, all of which it pretty much did. It has been rewarded with a steady 1 million visitors per year. The Bilbao effect means more than travel, it can garner revenue from its own residents. Needless to say, the cities around the world took notice as Bilbao became the symbol of successful economic and cultural revival.

Four challenges that prevent many commercial operators from fully tapping the economic potential of the industry:

- 1) The funding model, especially for the largely public sector. There still exists the notion of not making profit so as not to lose funding. It is hard for the commercial sector to become more entrepreneurial.
- 2) We have to come away from thinking without the long-term vision for what's successful which is at present mostly lacking the social and environmental dimension. We need organizational change, training and upskilling to be able to answer these demands.
- 3) The third challenge is the ever-growing innovation gap, while technology is developing exponentially, culture and public policy are not. And without adequate support for technological and digital development, museums and culture at large run the risk of becoming irrelevant to large parts of the society.
- 4) The last challenge is the still prevailing thinking that reflects sectoral language and country divisions. Even though cross sector and collaborations are crucial, culture and creativity exist in an increasingly global context. If cultural and political actors often still have a local mindset, so what can we do to help overcome these problems?

What if there was a European ecosystem of support for the cultural and creative sectors? What if they have the opportunities that make them fit to rank as a European key sector? A good way

to approach the economic and social dimension of the creative economy is within the framework of the Sustainable Development Goals.

Andrew Senior: The first issue to raise is to look at how well the concept of the creative economy is understood, the second is to look at its economic significance, then look at the ecology of the creative industries and what complicates the sector in terms of the way in which it delivers beyond the economic.

1. It's now almost a quarter of a century since the first mapping was done in the U.K. back in 1999. It's not a concept that immediately gained traction in government in the UK, it took our Treasury eight years to really get behind the concept and to start talking about it in terms of the true economic value that it was delivering. Ministers come and go very quickly and don't have the degree of understanding that one might want to see.

It takes some time to ensure that the rights sort of legislation has been put in place to stimulate the development of the sector.

In Europe we don't have the level of ministerial, government, and opposition buy-in that is really needed. I think some countries in the EU are falling behind emerging economies like Indonesia and Colombia. Colombia's government has put the creative economy at the heart of its economic growth program, which gives you a sense of the interest and the belief that is out there amongst emerging economies.

2. The economic significance of the creative economy. The great problem is that it is always underestimated unless it has been properly measured and analyzed. If Greece wants to seize this opportunity it must ensure that data is being collected and analyzed more frequently.

In London at least, the creative sector continues growing at times more quickly than financial services. There's a real need to understand the value of the sector. A sector that continued to grow through the recession. This is a sector which is worth looking at, investing in and taken very seriously including appropriate government strategies to support its development.

3. In terms of the ecology of the creative industries. It has very high levels of self-employment and micro businesses within which there can be limited understanding of themselves as businesses. Often creatives work together in flexible structures and hubs.

The raw material of the creative economy is creative talent, it needs nurturing. An entrepreneur working in the sector needs to have special skills. Developing entrepreneurial skills is often missing in art schools and design schools.

This is a sector which is not just economic. It is also social and cultural. Many creative entrepreneurs are actually also social entrepreneurs.

It also addresses issues around health, well-being, so the participation in arts and cultural activities, even passively impacts positively on our well-being and the arts have long been understood to be a tool, a very important tool in healing both physical and mental health.

Arts education is critical to the stimulation of creativity and creative thinking. We need to add Arts to STEM and make it STEAM.

Cultural relations is more than education, it is also about cultural exchange. It's about ensuring that we understand one another's cultures and that by doing that, we understand one another. As we come to do that, then we are able to ensure that we create a new, and more importantly, a better world within which our economies and our societies can develop.

We need to look at this not just from an economic perspective but to understand the wider impact to the sector and find new ways and new markets for the produced content, but also ensure that we are able to receive content from other places to better understand them as well.

Impact Investing and the Creative Economy

01

Participants:

Jacco Minnaar

Chair of the Management Board, Triodos Investment Management, The Netherlands

Fran Sanderson

Director, Arts Programmes and Investments, NESTA, UK

David Parrish

Consultant, Coach, Creative Industries, UK

Chair: Despina Tomadaki

Senior Loan Officer, European Investment Bank (EIB) Luxembourg

“A discussion on impact investing in the creative economy, the financing of cultural and creative entrepreneurs and what might enable it.”



A DISCUSSION ON IMPACT INVESTING IN THE CREATIVE ECONOMY, THE FINANCING OF CULTURAL AND CREATIVE ENTREPRENEURS AND WHAT MIGHT ENABLE IT.

Jacco Minnaar: Triodos Bank is a bank that started in the Netherlands but is now in five European countries, both with a bank and an asset manager. From the day we started in 1980 we have always had the objective to make people more conscious with their money. Every euro we have in deposits from depositors and in our investment funds, we try to convert into loans and investments that have a positive impact on society. And we focus specifically on the energy and climate transition, on the food transition, and on social inclusion. In order to have a well-functioning and fair society, the social side is equally important and so are the creative industries and culture.

Triodos has actually been involved in financing the cultural sector for some decades now, and we do so because of, on the one hand, the impact on society that culture can have. Culture is about connecting ideas, about reflecting on what happens in society. And it often is a stimulus for new things that get started and for positive change. And at the same time, it is also something that enables individuals to develop. So, from a personal development point of view, we invest and finance the cultural sector in multiple ways. For example, we have in our financing and investing in museums, theatres, stages, but also the instruments of individual artists, artists themselves and numerous other examples.

The bankability of the cultural sector

The sector often has a large component of subsidies, but there is also a lot of commercial income in the sector from tickets, for example, or from adjacent businesses like shops, restaurants. So, entrepreneurship nowadays is more important in the cultural sector, especially since after the financial crisis across the board, we have seen subsidies being cut. And we also have seen that the culture sector, which has a lot of ability to adapt, has been adapting. So, if you understand those different sources of funding and

can really analyze the cash flows, then it is bankable. And we have actually found over the last decades that our losses to culture loans have been very low. I mean, in the range of 50 basis points. So very much in line with some of the other sectors that are quite safe and bankable.

Fran Sanderson: NESTA is an innovation foundation based in the U.K. doing a lot of work in the creative economy. We try to support organizations and innovation throughout the ecosystem. Right from research and problem definition to incubation of solutions to scaling of solutions and with a lot of research in the creative industries, thinking about the intersection of culture and the creative industries and the economic benefits, how new funding models could be perpetuated.

This is not mortgage lending. And we certainly will have higher losses than 50 basis points. But it sits somewhere on the spectrum between grant capital and secured lending. We are often a co-investor with Triodos and Festo and the work we do is highly complementary.

We started the Arts Fund with the Urban Arts Council England and Bank of America, who got involved because the Cabinet Office in the UK was trying to broker partnerships and structured funds between public, private and philanthropic funders.

And of course, Bank of America are a big corporate art funder. We are both part of the Arts Impact Fund since 2018. We then launched another fund making smaller loans, up to 150K. These are all loans for organizations which are in the cultural creative sector and which can demonstrate a positive social impact.

We are very impact-focused. We launched a third fund last year, the 23M pound Arts and Culture Fund, and we now have a team of nine operating a business called Arts and Culture Finance, which sits under the NESTA umbrella.

We are hoping to build on the platform that we've established. We've also historically done innovation funding and grant funding.

Key policies that have been implemented in the U.K. and have enabled the growth of the creative industries, investigating policy issues around creative clusters, establishing partnerships to try and move from London to regional. Accessibility and promoting the flow of artists and creative business, health and education.

The outlook and key challenges for the creative economy in the post covid-19 era

The vital question now globally is underinvestment, the collapse of the visitor economy. Arts and culture organizations have been taking tentative steps to build earned income.

At the same time, an amazing amount of experimentation is taking place.

We have launched a platform called Creativity Culture, trying to showcase the creative enterprise globally.

Through our report called Impact Capital, we are trying to push the government to understand the potential for impact investing in the creative economy and also create a global community of best practices.

(CONTINUED) A DISCUSSION ON IMPACT INVESTING IN THE CREATIVE ECONOMY, THE FINANCING OF CULTURAL AND CREATIVE ENTREPRENEURS AND WHAT MIGHT ENABLE IT.

Are creative and cultural organizations investment-ready?

David Parrish: The whole spectrum of the creative industries is very wide. In terms of investment readiness, well, at one end of the spectrum, you have tech startups and they from the word go are thinking about investment, particularly equity investment. So, they are ready for it. They designed the whole business model around that kind of investment. Then you have the small creative enterprises and they don't really think of investment until much later when they might be looking for loan investment or perhaps equity investments. But they have not designed the business with that in mind. They have to do some serious adjustments. And then we come to what you might call arts organizations or the subsidized cultural sector. And they are a different mindset. Yet again, they might have been used to grant funding and have organized their activities around getting grants. But when it comes to loan funding, they are not quite ready. It is a slightly different way of thinking. And then, of course, equity investment might be quite alien to a lot of arts organizations. And in fact, it might not even be possible depending on the corporate structure. Companies limited by guarantee without share capital, which has been the favoured format for a lot of arts organizations, don't have share capital. They can't get equity investment.

It is very hard to generalize but many organizations in the arts and cultural sector are not fully ready for investment just yet. They have to change their mindset and their business models in order to be ready for investment.

What can be done to educate those people and familiarize themselves with the business and investment issues?

My mission really is to help creative people to be smarter with business. They're not always comfortable or qualified initially in business matters. So that is very much what I do to help creative people to be smarter with business.

How successful have these organizations been in adapting, diversifying and creating new business models during the Covid-19 pandemic?

When we talk about the creative industries, we talk about a huge range of different business models and sizes with different emphasis on different types of creativity. The digital end of the creative industries has done very well. Anybody who is helping businesses to get online with websites, social media, film, advertising, they're doing really well. In the cultural sector, those organizations that are dependent on performances, audiences, and live events have suffered very badly. Including the many freelancers involved in film and theater, as well as the institutions themselves.

Some museums from around the world and some theaters that had actually adapted their business models quite successfully but overall, it has been a particular challenge.

“It is very hard to generalize but many organizations in the arts and cultural sector are not fully ready for investment just yet. They have to change their mindset and their business models in order to be ready for investment.”

Impact Investing and the Creative Economy

02

Participants:

Valia Fragkou

Philanthropy Advisor, Greece

Sotiris Petropoulos

Co-Founder,
Higher Incubator Giving Growth
& Sustainability - Higgs, Greece

“Philanthropy and Culture in Greece”



PHILANTHROPY AND CULTURE IN GREECE

Valia Fragkou and Sotiris Petropoulos discussed the impactful relationship between philanthropy and culture in the Greek context, focusing on institutional philanthropy and more specifically, charitable foundations, as well as other grant-making philanthropic institutions. Individual donors tend to follow the trends of grant-making philanthropy priorities that are set by foundations and other grant-making entities.

Sotiris Petropoulos: The cultural sector of the NGO ecosystem in Greece is quite a young developing segment, part of the Greek non-profit ecosystem, where we have at least three very specific groups of organizations. The more traditional ones, for example, museums or arts organizations, newly established organizations that innovate, and the more traditional segment of the Greek civil society, the non-profits that are working around social or health issues, but they have gradually been introducing in their activities a lot of dimensions of the cultural economy so that they bring about better effects on what they were doing. However, it stills falls behind Western Europe and America and the promise of the cultural dimension of the non-profit sector has not materialized.

Non-profits have to reinvent themselves, understand a new business model and try to fit in a new environment that needs to be more proactive, more innovative. We see a lot of instances of such activities from a variety of organizations. At the same time, a lot of organizations that can be described as cultural ones have actually been on the verge of social innovation.

There is the **Cycladic Museum** where you see a lot of interaction. They have put things digitally online and they are supporting and they are providing access to a variety of people, a lot of whom are related to vulnerable groups.

The mission of non-profits is to give access, to provide diversity, to support the vulnerable through arts and culture. The pandemic crisis has exposed vulnerabilities. For example, the **Eyes of Light** or **Liminal**. There are two quite recent organizations, and they are focusing on enhancing diversity, enhancing access to culture. **The Eyes of Light** for example, is offering psychological support to cancer patients.

The online presence allows the value of culture to enhance the way that non-profits are working and operating enhancing reach.

We are focusing on achieving high levels of economic development, not just growth after the crisis gradually fades. Culture can be an engine and value by tapping into the cultural heritage and social innovation, for more employment positions, a healthier environment, psychologically supporting different kinds of people.

Valia Fragkou: Greek institutional philanthropy gives approximately 15 percent of its grants' money. And this is also a percentage that applies for cultural related projects, which means that out of all the grants that are being made on a yearly basis, only 15 percent goes to cultural related efforts. This is a small percentage in investment in culture that falls behind European counterparts.

During the socio-economic crisis and the pandemic, institutional philanthropy prioritized towards social welfare primarily, and then health, so the rising social needs drove the prioritization setting an agenda of philanthropists towards social welfare and health, an alleviation approach.

Towards the second part of the 10- year socioeconomic crisis, we saw a slight shift from this alleviation approach towards a more developmental approach with grants mostly for education and entrepreneurship. This is mainly because in the process of brain regain there was an Intent and need for motives for Greeks to come back and stay in Greece. Culture started coming along but as a second priority. When a crisis takes place, we have the same circle of priorities but certainly culture is not a top priority for funders during a crisis.

Mental health issues have emerged and of course, culture for these types of needs, as well as all social needs, can provide a solution and be a vehicle for the various social solutions, so this is the driver.

Non-profits started working together and collaborating to create joint cultural projects.

An example of social innovation from the part of a nonprofit under, of course, the thematic of culture that drove to a very dynamic relationship between funder and non-profit, grantee and grantor is the **cultural non-profit Seven-Eleven** implementing a recreational program titled **Thalo**, a recreational program in elderly care homes.

At the beginning of last year, they had applied for a program extension to visit more care homes within the Attica region. And as soon as the pandemic crisis struck, they were proactive. So they started designing a new business model for how to proceed. They decided to use digitalization as a method to address the period of the pandemic. And through this social innovation, they were able to integrate technology and the funder was convinced. The grant changed completely through the proactiveness of the cultural organization.

Organizations work in the field. They are the foundations' eyes and ears. And by increasing the number of social programs that have a cultural element, they become socially innovative. The fact that culture is now integrated in social programs, means that culture is becoming a catalyst for social change and advancement.

Culture is a social glue. This is a message that non-profits embrace. This is a message for which they become ambassadors. And sooner or later, foundations will also see this as a driver.

Powering Growth via the Cultural Economy

Participants:

Felipe Buitrago Restrepo

Minister of Culture,
Republic of Colombia

Edna Dos Santos-Duisenberg

International Policy Advisor,
Creative Economy & Development,
Switzerland.

Tom Fleming

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Culture & Arts Research,
Strategy & Policy Consultancy,
UK

Christina Papadopoulou

Director, Gagosian Athens,
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Yerassimos Yannopoulos

Managing Partner,
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Greece

Chair: Alexandros J. Stanas

Senior Advisor, Schwarz Foundation;
Director, FKPCollection;
Art Economics Editor, Art Newspaper,
Greece



Macroeconomic approach / the Orange Economy in practice

Alexandros Stanas co-ordinated the discussion stressing the Cultural and Creative sectors can be a lever for a vibrant and sustainable economy. They are driving new business, spurring innovation, attracting talent and investment, and accelerating development.

CCIs challenges:

- » The climate crisis, limits to growth, intellectual property (IP) and copyright, digitalization and e-commerce platforms, the future of work, terms of trade, and access to distribution networks all require careful examination.
- » Advocacy on the CCIs' contribution to economic growth must be stronger and through mainstream channels.
- » Optimizing the importance of Cultural Heritage, by balancing innovation and respect to tradition.
- » The nature of work in the cultural and creative industries requires special attention.
- » There are knowledge gaps regarding specific skills (including digital and artistic) and traditional crafts, education and training, design and creativity.
- » The creative ecosystem resilience should be thoroughly researched and remodeled
- » Funding & business investment opportunities must be taken into consideration.
- » Attention should be given to emerging trade asymmetries, that are deepened by digital applications.

Felipe Buitrago Restrepo, Minister of Culture, Colombia

Through the Orange Economy Policy, the Colombian National Government has put culture and creativity at the center of the country's development agenda. This policy seeks to promote social and economic development across different regions of Colombia, based on their cultural and creative vocation.

The National Council of the Orange Economy was created, which brings together 7 ministries and 5 government entities, as a national instance of institutional coordination, led by the Ministry of Culture. It formulates the guidelines for the creative economy policy, stipulated in the Orange Law and has a fundamental role in implementing a governance structure. It promotes support, incentives, and financing of cultural and creative industries.

The Government is implementing the most ambitious reactivation plan aimed at the cultural sector, in coordination with the members of the National Council of the Orange Economy, creating opportunities for all creative sectors. During 2020, the actions carried out by the entities that are part of the National Council of the Orange Economy summed a public investment of more than 1.8 billion pesos (USD 481 million). By 2021, the Government is expected to mobilize the most ambitious sum of resources for the culture sector, with \$6.5 billion pesos (USD 1.7 billion). As of July 2022, with the different measures implemented by the National Government, more than 12 billion pesos (USD 3.2 billion) in resources will have been mobilized for the sector.

Moreover, the following seven strategic lines (Is) have been outlined to implement the Orange Economy Policy:

- 1. Information:** strategies to generate sectoral information and knowledge that strengthens the dialogue between culture, economy creativity and sustainable development.
- 2. Institutions:** strategies to generate coordination spaces forms of financing and incentives to mitigate the risk of the agents of the cultural and creative sector.
- 3. Infrastructure:** strategies for strengthening the sustainability of public goods and infrastructure.
- 4. Industry:** strategies to strengthen the path to entrepreneurship and generate a sustainable creative ecosystem.
- 5. Integration:** strategies to encourage integration and circulation of cultural and creative goods and services.
- 6. Inclusion:** strategies for the development of creative skills and sectoral capabilities.
- 7. Inspiration:** strategies to stimulate content production and innovative and quality cultural and creative products.

Edna dos Santos-Duisenberg
International Consultant and Policy Advisor

What is the role of the Central and Local Government? Strategies and policies going beyond “business as usual” providing a vision and practical framework for a more inclusive and creative approach.

For years, the economic impact of CCE (Creativity, Culture, Education) has been overlooked by governments, despite its strong contribution to economic growth, job creation, export earnings and tourism. It is also recognized that CCE promotes social inclusion, education, cultural diversity, well-being, and sustainable development. Creative products and cultural activities always generate economic and social gains

In the EU, CCE provides jobs to over 7.5 million people through more than 1 million cultural enterprises. The Creative Europe program is under implementation and Greece will benefit. Even during the pandemic crisis, the CCE is driving innovation and well-being.

So, the contribution of CCE for growth is evident and the real question is what is missing?

The COVID-19 crisis exposed the inadequacies of current policies to support the CCE.

Policies for CCE must recognize its economic, social, cultural, technological and environmental linkages. Policymaking for CE is not confined to a single ministry; it should involve: economy, culture, tourism, trade, education, technology, labor, foreign affairs and social issues. Any package for enhancing the CE requires cross-cutting measures to ensure that institutions, regulatory framework, infrastructure, investment and financing are effective.

Governments should act as facilitators to put in place a mix of public policies and strategic alliances with the private sector with a view to nurture the creative economy. At the local level, the question is how to revive cities in the post-pandemic era. Considering the new lifestyle of the society, cities should be human, smart, creative and sustainable. They should promote creativity, sustainability and environmental harmony, arts and culture, digital inclusion and good integration between people and the city.

The challenge is not to be back to a new normal... but to rebound better.

Advocacy on the CCIs contribution to economic growth

As mentioned before, this year there are two important international frameworks to support the CCE

1. The UN Agenda 2030 for Sustainable Development. All UN members, 196 countries are committed to achieve the 17 Sustainable Development Goals.
 - » Today we have less than 10 years.
 - » So, political will, determination and concrete actions are needed to promote
 - ii. economic development
 - iii. social inclusion and
 - iv. environmental sustainability.
 - » Culture and CE are transversal (missing pillar) and can be a catalyst in at least 11 out of the 17 SDGs.
2. 2021 the International Year of Creative Economy for Sustainable Development provides the momentum and is a great opportunity to foster CCE policies, projects, and actions.
 - » The resolution reinforces the first mandate given to the UN through UNCTAD in 2004, when the Creative Economy was first introduced into the international economic and development agenda.
 - » This special year is a call to the international community to diversify and foster their creative economy.
 - » When the UN General Assembly adopted the resolution in 2019, nobody could imagine what would happen in 2020 and 2021, the pandemic took humanity by surprise.
 - » Today we are experiencing a shift bringing new values, new lifestyles, and in this context, CE should be part of the solution during the pandemic healing process.
 - » It is time to resume the policy agenda of the creative economy at national and global levels.
 - » CCE should be seen as a transformative power towards more equitable, inclusive and sustainable growth strategies.

Tom Fleming,
International authority on Arts, Culture & Creative Economy Policy;

Director of Tom Fleming Creative Consultancy.

How we need now more than ever to focus on creative and arts education as central to long-term inclusive growth and sustainable development.

The challenges of developing creative skills and competencies have been exposed by the pandemic, requiring an urgent re-think of how we equip the workforce of the future as well as re-invigorate existing human resources.

The opportunities presented by interdisciplinary and impact-focused practice, connecting sectors, driving innovation through collaboration.

The significance of creative hubs and clusters as safe spaces for creative collaboration.

Some emergent ‘STEAM’ models for education and cluster development - I would like to give the example of Aveiro STEAM City in Portugal (AVEIRO STEAM CITY: Aveiro Tech City) and Oulu in Finland (Themes - Oulu2026).

The opportunity to re-imagine a creative economy that is more inclusive, fair, and equitable.

Christina Papadopoulou

Director, Gagosian Athens

Art is a major driver for economic activity and has a direct influence on Real Estate, Tourism, Advertisement, and Promotion as well as tremendous social impact.

In the US alone, museums support more than 700K jobs, directly employing close to 400K people, which is double what the professional sports industry employs.

On a global scale, art is 65bn \$ industry, with NY, London, and HK holding a 74% market share.

These stats are supported by numerous cases globally, three of which I will briefly present.

The first case study is the Millennium Park in Chicago which is the world's most successful Metropolitan Park, combining landscaping, architecture, art, and music.

As a result of the park's opening residential housing units in adjacent areas increased by 57%, Tourism attributable to the park contributes \$11.1 billion in direct and indirect spending annually. Additionally, violent crime in the area declined by 27%. In 2018 it received 20 million individual visitors in a metropolitan area of 9,5 million.

Another example is the Yorkshire Sculpture Park which is the largest of the kind in Europe. YSP receives more than 500.000 visitors per year. A 2011 economic study conducted by YSP proved that for every pound spent on the park, 5 pounds were generated for the local economy.

The last example is the Museum of Old and New Art (MONA), Tasmania, AUS which is the largest privately funded museum in Australia.

An independent study by Deloitte found that MONA's activities contributed \$135 million to Tasmanian gross state product.

These 3 case studies clearly demonstrate the quantitative correlation between art and economic growth.

I would like to say a few words about the Greek art scene.

Greece is right now in a unique position to develop the contemporary art market and claim art market share within Europe.

Greece with its unique combination of rich cultural heritage, magnificent natural beauty and affordable living costs is a pole of attraction for international artists. who are interested in hosting exhibitions in local galleries and institutions and even establishing studios and moving part of their artistic production.

Additionally, Greeks are some of the greatest private collectors of Modern and Contemporary Art in the world.

There is a trend, accelerated by the pandemic, for decentralization of big art centers and focus on local markets which presents growth potential for Greece. Especially with UK's departure from the EU, Greece could attract some of the art market transactions.

However, there are a few challenging factors that need to be addressed in order for Greece to reach its full potential such as the import tax and VAT for artworks, financial motives for donations to cultural institutions as well as the activation of existing laws that promote art and culture.

Yerassimos Yannopoulos,

Co-managing partner of Zepos & Yannopoulos and head of the firm's tax & accounting practice

Cultural Creative Industries in regional economies present significant mismatches:

- » The ratio between culture workers accounting for 3,2% of the active workforce but generating just 1,4% of GDP;
- » On how this output is distributed between metropolitan hubs and the periphery (in Greece CCI's contribution to the GDP is by 85% generated in Athens and Thessaloniki);
- » Among (i) the **market** itself, (ii) schools/professional education (remember what Tom Flemming has just suggested) and (iii) "validation" mechanisms (museums, private collections, publicly or privately funded cultural events);

» As regards the lack of programmatic collaboration between the **public** and **private** sectors;

» Greece is running an important current account deficit (Greece imports Euro 181 million and exports Euro 110 million worth of cultural products);

» As regards the use of **emerging technologies** (the lack of which became much more apparent during the pandemic; how many Museums were able to deliver "virtual tours" and/or "augmented reality" experience to e-visitors);

Imagine, thus, CCIs thriving in a far less «hermetic» landscape and taking advantage, among others, of "point solutions" such as:

How do we improve the ratio between workforce and GDP? Not by subsidizing their salaries but by making them and their employers more competitive. Education and training are paramount.

How much money are we spending on promoting local art galleries to participate in international art fairs as opposed to the money spent for Art Athens, our local fair?

Greek museums currently showing only 7% of their permanent collections, with the rest kept in storage, cannot loan out to international institutions against a fee. They cannot exploit their collections to bring in money to invest in newly qualified staff for IT or Marketing.

What about CSR rules -not linked to culture- a cement company or a bank cannot "adopt" the positions of an IT Director or Marketing & Communication Director of a big museum, pay for their salaries to help develop audiences.

Just in the last three years, promoting filmmaking by the Center of Audio-Visual Media and Communication resulted in filming in 150 locations infusing funds in local economies.

The Role of Museums in the Post-Pandemic Era

Participants

Chair: Agiatis Benardou

Researcher,
Digital Curation Unit, R.C. "Athena",
Institute for the Management of
Information Systems,
Greece

Athanassia Psalti

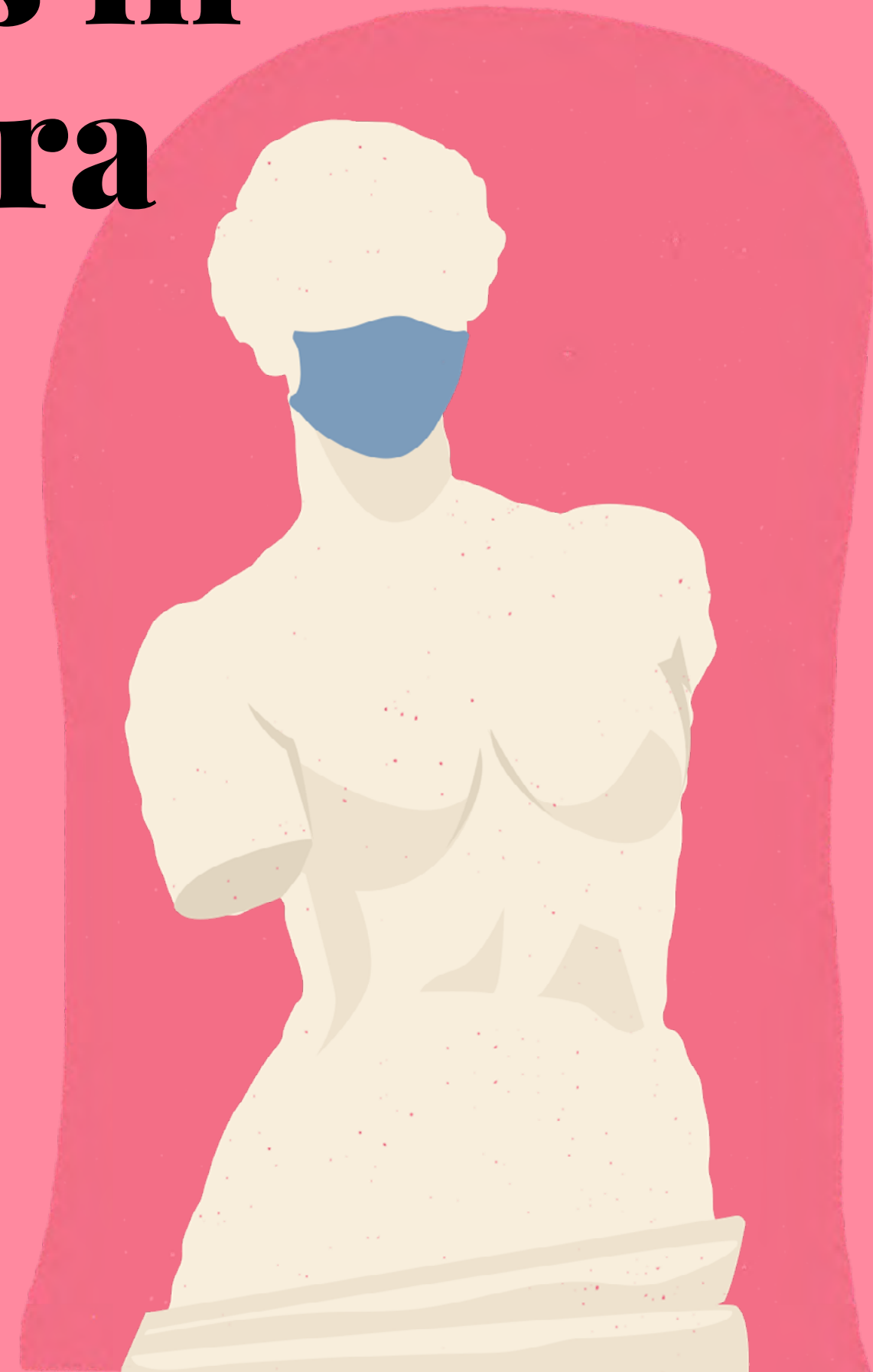
Director, Ephorate of
Antiquities of Phocis, Greece

Chris Hudson

President, MGIP;
Owner, Lowgill Publishing,
USA

Olga Sismanidi

Creative Europe, EACEA;
Expert-Independent Evaluator,
European Commission,
Belgium



Agiatis Benardou (chair) hosted a session on the role of museums in the post-pandemic era, discussing the challenges and opportunities for museums to come out of it as more successful and inclusive organizations.

Athanassia Psalti:

The Archaeological Museum of Delphi is a public institution, forming part of the Ephorate of Antiquities of Phocis, which is a regional service of the Ministry of Culture and Sports. Since its foundation in 1903, it operates uninterruptedly as an arc of culture of the ancient Greek world in its highest expression. Among the magnificent exhibits of the museum are the Charioteer, the Sphinx of Naxos, The twin Kouroi, Kleovis and Viton and the statue of Antinous, a tribute of the Emperor Adrian. In 1987 the wider archaeological area of Delphi, the size of which amounts to 350,000 acres, was declared a World Heritage Site. This area, defined north by mount Parnassus and south by the port of ancient Kirra and by the coast of Itea, formed a crossroad of important routes and cultures both in antiquity and in medieval times. Today, it still is a wonderful landscape of natural beauty, at a distance of just 2 hours from the capital of Athens. Every year thousands of visitors arrive at Delphi in order to visit the famous oracle of Pythian Apollo and the museum, and in the last years just before the Covid 19 pandemic, the attendance reached at its highest levels, rising at around 850,000 visitors per annum.

The museum in a sense functions as a stronghold of the archaeological site of Delphi, being an integral part of every visit. In other words, the understanding of the archaeological site is partial without the visit to the museum. The museum of Delphi also hosts most of the educational programs of the Ephorate of Antiquities of Phocis, activities for the general public and specialized programs for people with reduced mobility and for the visually impaired. In addition, during the last decade, exhibitions of contemporary art, musical events, poetry evenings, lectures, and even European cinema have been organized.

The closure of the museum during the period 2020 and 2021 due to the Covid-19 pandemic was a strong blow with an impact on the country's economy but also on the local economy, a typical example being the cancellation of the Delphi Economic Forum. During the period June-November 2020, between the two

lockdowns, when both the archaeological site and the museum functioned normally, only 65,000 people visited Delphi, representing a percentage of 15% of the visitors coming before the pandemic. It must be noted that strict hygiene protocols resulted in no infection or spread of the virus to staff or visitors. However, school visits and educational programs ceased, and visitors' stay in the museum halls were restricted to a limited amount of time countable in minutes.

Yet, a positive aspect emerged. During the first lockdown, and as soon as we overcame the fear of the unknown threat and bewilderment due to the unprecedented conditions, my scientific staff at the Delphi Museum completed the upgrade of our new website, (www.delphi.culture.gr), and continued the project of digitization of the photographic and document archive. In addition they took up the organization of an exhibition which will take place in Delphi, in collaboration with the Louvre Museum and with the title «Under the light of Apollo» and finally a very interesting European funded research program with the acronym 3D4Delphi was launched.

This research project uses an accurate 3D capture of selected monuments of the archaeological site of Delphi via laser scan technology, the currently available scientific data, and the implementation of mathematical algorithms thus producing accurate three-dimensional image of the monuments and restoring different possible versions of the monuments at a certain point of time in the past. The final product will include an interactive screen/dome installation and a smart application that will offer the physical and digital visitor the complete image of the monuments of Delphi in a mixed reality 3D walk-through of the site.

In addition, during this period, additional work was carried out, aiming to improve the museum's infrastructure and maintenance, which was necessary, such as the enhancement of natural ventilation, the reorganization of the new canteen and the digital photography of all the exhibits with modern technological equipment. Moreover, our presence on the social media became much more intense. Finally, it became clear that through our new digital presence we were able to keep the interest of the public and of the local community active.

The next day for the Delphi Museum, like all public and private museums in a post-Covid-19 era, seems quite difficult but also full of challenges. Certainly, museums cannot abide in a previous austere academic role or even in an educational role that will focus only on spreading the virtues of ancient Greek culture. Instead, they have to engage with the international discussion of the social and economic issues that will arise through their collections, in the light of a new narrative, as they must now take part in a second reading of the pandemic, and of the pain and the losses suffered, offering relief to the trauma caused to society. In addition, the museum is called upon to raise the concerns that will lead both to the understanding of the issue of the pandemic and to the formation of situations that will act as a deterrent to a new one.

So let us look at the positive issues brought forward by the pandemic: the return to nature, solidarity, the strengthening of social relations, the trust in science and finally the need for the elimination of any kind of discrimination and for the wider democratization of societies.

Delphi, as the birthplace of concepts such as Democracy, the right of the individual to decide his own destiny, the Knowledge of self, the condemnation of any exaggeration as an element of alteration of global human values and disorientation from the course towards a virtuous life, the notion of nothing in excess, is also the place where the above questions can be answered. The museum of Delphi can therefore become a central point of inspiration, reflection and restart of the constant human activity in a post-Covid-19 era.

Therefore, our museum in the planning for the years to come, has introduced thematic subjects addressing issues such as climate change and its effects, gender equality, democracy, science and its contribution to the preservation of human existence, culture as the only factor that shapes the critical spirit and free thought against the false news and the rhetorical falsification of history.

Closing, I would like to point out that there could be no future for museums if they do not engage in offering hope through science, education, and solidarity, world peace and strengthening the economy through sustainable development. Pillars that constitute the idea of Culture.

Christopher Hudson

Before the pandemic, museums were grappling with six big themes:

1. The blessing and the curse of the trend to architectural expansions and renewals, this gets publicity and attracts donors but sidelines other things.
2. The way museums' roles had already expanded, becoming modern-day Cathedrals, filling an almost spiritual need.
3. Museums were becoming social spaces with big outreach efforts, and wanted to move further into a more two-way outreach to engage communities in a way that would get them to contribute back.
4. The increasing expectation that museums should engage in social intervention, how that can be squared with a tax-exempt status or government support that frowns on any political act.
5. How digital outreach that was universally desired and certainly widened museums' reach still lacked a sustainable business model.
6. The differences between stakeholders. Museums can certainly be important for cities for tourism revenue and soft power, and for donors in terms of prestige and networking and one's legacy. But those stakeholders have different interests from the general public and academic researchers.

Five challenges as a direct result of the health crisis and other recent developments.

1. A massive loss of revenue and loss of visitors that shook museums to the core. The Metropolitan Museum in New York estimates a 150M \$ in lost revenue. For most museums, the biggest costs are staff and maintenance of collections, not easily cut. It was no longer about profitability or break-even. We just didn't have the cash in the bank and independence from Government funding, previously a strength, became a weakness as all other sources dried up.
2. Digital substitutes expanded with even more success but financially that just further highlighted the lack of a sustainable business model
3. In the USA, the George Floyd murder absolutely consumed Museum staff and nothing got done over the last year, except DEI (diversity, equity, and inclusion) initiatives.
4. the ESG (environmental, social, and corporate governance) investment movement ballooned questions about how museums direct their endowment Investments
5. The ramping up of the debate about repatriation of objects, not just the older issues like the Parthenon Marbles but President McConnell's initiative on African art, initiatives on indigenous Art in North America, in New Zealand and the Pacific Nations.

Difficulties include a range from basic housekeeping to reopening, re-engineering to accommodate social distancing and limitations on visitor numbers and the likelihood of depressed visitor revenues, and the challenges of funding digital. Possible introduction of user fees, especially for outreach programs, new digital offerings and performative works.

Social activism including the endowment investment issues will continue and not end with the pandemic.

We will see more outreach beyond the walls of the museum physically as well as digitally, pop-up museums especially in disadvantaged city areas, following the initiatives already seen from the Centre Pompidou, from the Jewish Museum in Frankfurt and from the Children's Museum in New York.

Successful museums will find ways to balance activism and outreach with research and scholarship. As with all successful impact investors in the cultural sector, they will have clarity of purpose. They will come to realize that what underpins and connects the need for cultural tourism that cities want, the prestige that donors want and the love of the general public, is their reputation for knowledge, for rigour and quality, for commitment to research.

The post-pandemic role of the museum is to navigate today's fashions carefully and to keep in mind what will last, *ars longa vita brevis*.

The United Nations definition for this International Year of Creative Economy: impact investing has the intent to generate positive measurable social and environmental impact alongside a financial return. It specifically includes a financial return and indeed an impact investor who is running an endowment or pension fund or most private investors, as opposed to policymakers or government administrators, or pure philanthropists. will have this goal.

In the museum world, we are generally much better at spending money than generating it. Most museums that undertake scholarship and research are non-profit. There are parts of the arts world, where both the social and the financial goals can be attained. We haven't talked about real estate initiatives. Like the Inclusive Creative Economy Fund in New York. And that sells notes? To accredited investors, whose capital is then used to lend to artists' organizations. And in India, very much on our minds right now because of the covid disasters, Tara Publishing trains and employs villages into learning the printing and publishing trades. There's the Cultural Space Agency in Seattle. It's a public-private initiative that develops arts-related real estate.

Museums that engage in research and scholarship should not be measured like businesses, securing museum funding can be difficult, but the basic model as nonprofits does not need to change and this should not be in doubt.

Olga Sismanidi

EACEA - Creative Europe Culture subprogramme

Creative Economy / European dimension for the Cultural and Creative Sectors and Industries (CCSIs)

The EU strategic framework for the CCSIs

The CCSIs offer the boundless competitive advantage of human ingenuity, creativity, and audacity. Before COVID-19, they represented 4.4% of the EU GDP with a turnover of more than € 643 billion in 2019 and, some 8 million people are employed in the sectors. The pandemic led to a significant loss of 31% of their turnover and the shockwaves felt across all the sectors whereas at the same time, COVID-19 acted as an accelerator of change, moving life and the arts towards an online, hybrid environment.



The challenges and even better the opportunities for the growth and the revitalisation of the creative economy are identified across three pillars:

- » **finance** to support their recovery and evolution of CCSIs,
- » **empowerment** to stimulate the development of public and private investment in the creation, production, and distribution of diversified culture and media and, thirdly,
- » **leverage** of CCSIs through scalability and use of the multiplied power of some 8 million individuals and talents for the creative, socio-economic and environmental transition in Europe.

The novelty of the von der Leyen Commission is the spreading and integration of the six political priorities across regulation, policy, funding and investment aiming to create synergies, efficiencies, simplification and even more for the CCSIs, to promote arts, creative entrepreneurship and scalability for the flourishing of the European society.

At present, there are six EU Programmes supporting arts and creativity:

1. Creative Europe Programme. With EUR 2.5 billion, the Creative Europe Programme is the unique and the main EU funding programme dedicated to the copyright intensive content sectors, which addresses all the CCSIs through 2 sub-programmes and a cross-sectorial strand.

The **Culture sub-programme** supports transnationalism and the European integration through the co-financing of artistic, cultural and collaborative cross-border creation, circulation and visibility of European artists and works. The **MEDIA sub-programme**, addresses the entire value chain of the audiovisual and games industries by supporting content development and fostering its competitiveness through distribution, innovation, and scalability, contributing as such significantly to the European economy. The **cross-sectorial strand of Creative Europe** is at the centre of the CCSIs' evolution and transformation with new, evolved and innovative actions, such as the Creative Innovation Labs and the news media. Creative Europe cultivates synergies across the CCSIs that can foster new collaborative ideas, strategic business models and transformational business processes. These seeds of innovation can help the CCSIs to uptake new forms of creation, digital technologies and data to address common necessities and opportunities for new funding, distribution and monetisation of arts and creativity.

2. The Horizon Europe programme offers a window of EUR 2.5 billion dedicated to the CCSIs under the '**Cluster 2: Culture, Creativity and Inclusive society**' and envisages the creation of a Cultural Heritage Digital Collaboration Space. The **S+T+ARTS Programme** fosters alliances between science, technology and the arts by implementing the European human-centric approach to socio-technological innovation and European values, boosting as such the European excellence for global leadership in the future economy and democracy.

3. The European Innovation and Technology Institute has recently launched a new Knowledge and **Innovation Community (KIC)**, which aims to build a new unique community to maximise innovation and impact for Europe's CCSIs. In addition to this, the dedicated EU funding for the **European startup ecosystem** provides for complementary and synergies for meaningful impacts.

4. The New European Bauhaus, a truly bottom-up initiative, links artists, architects, engineers, and designers – to develop joint practices and overcome our unconscious limitations.

5. The E+ flagship programme offers a window on mobility and partnerships for creativity-based education.

6. The Digital Europe programme (€ 7.5 billion) aims to accelerate the recovery and drive the digital transformation of Europe. The network of **European Digital Innovation Hubs** aims to establish a Hub in every region, to help companies benefit from digital opportunities.

The EU funds, the CCSIs Guarantee Facility and the Recovery and Reform Facility are mobilised to support the cultural and creative sectors, offering the potential for multiple synergies to foster the European diversity and competitiveness in global contexts and markets. The European public finance, empowerment, and leverage for the CCSIs are ready to take off the ground and will continue to evolve, so please spread the word and join us.

How the EU funding links to policymaking - What does it mean for the future?

The **Better Regulation Agenda** of the Union provides for a monitoring and evaluation framework to measure and assess the performance of all these synergetic dynamic organisms, whilst the Financial Regulations provide for flexibility and adaptation. The recent launch of the **European Foresight initiative** is about putting the right questions at a macroeconomic level for the anticipation of trends and their future implications or opportunities for Europe. The resulting collective intelligence provides the ground for building up Europe's future, through strategic planning, policymaking and preparedness.

We are witnessing a paradigm shift, where cultural capital, creativity and human ingenuity are the most valuable skills and the source of socio-economic wealth for the years to come. The core aim is to bridge civilisation and culture for social progress and the public good through arts, science, philosophy, and education backed up by aesthetics, shared values, and service within our European principled daily life.

The spirit of digital humanism and culture media is **Πολιτισμός** (Politismos).

The Role of Artists

Lisa Russell

Founder, Create 2030, Tanzania

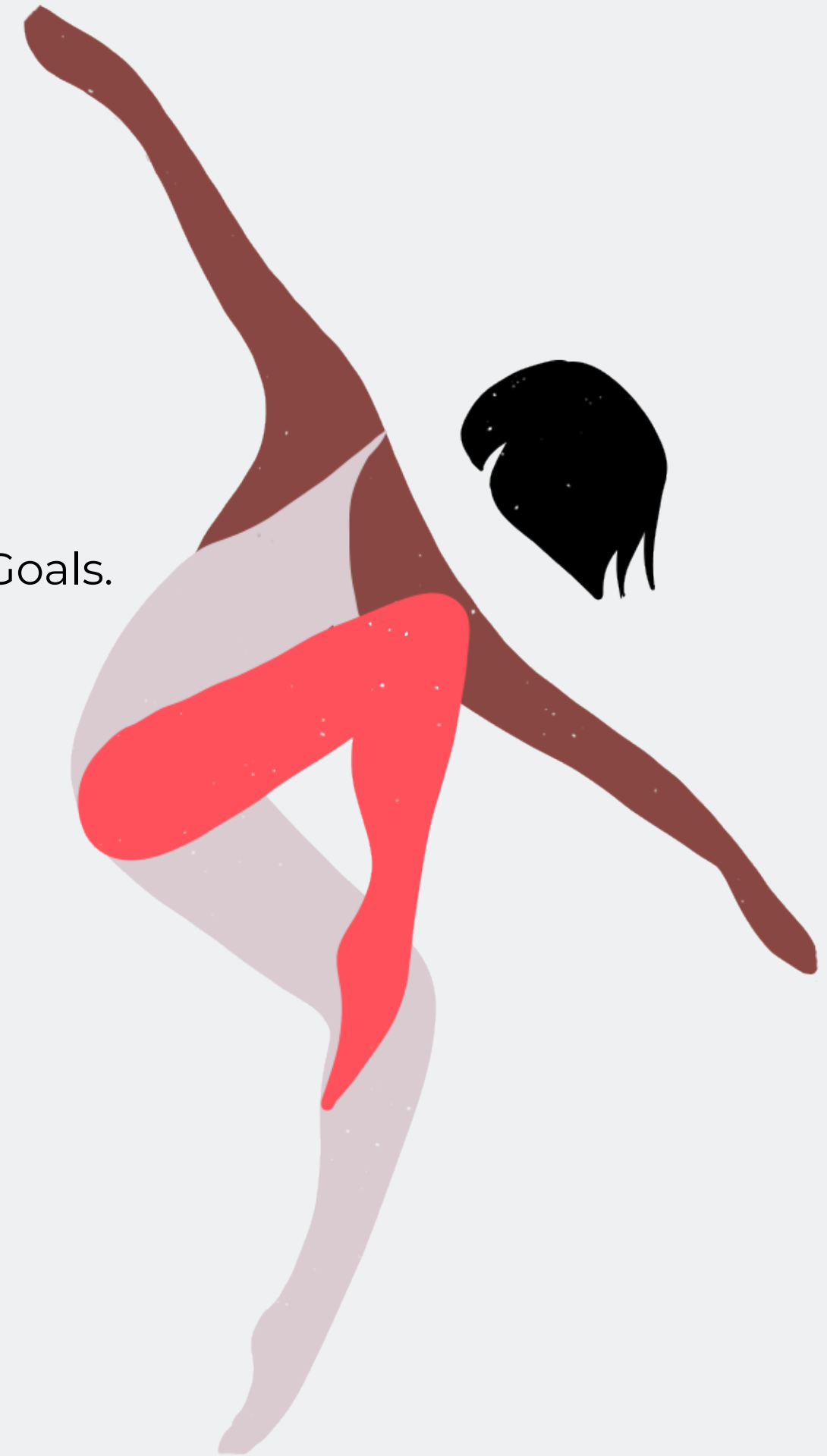
Lisa, who is an Emmy award-winning filmmaker, screenwriter, curator, and founder of CREATE 2030, spoke about engaging professional, working artists at the UN and in support of the Sustainable Development Goals.

My message was and continues to be that if we are going to build a sustainable, effective, creative economy, we need to give artists more space, more inclusion in the space. We need to have representation and we need to give artists a seat at the table.

When covid-19 struck, the problem was, that without representation of artists in the leadership levels of the UN, there were a lot of very irresponsible policies and initiatives that were rolling out. I believe that without knowing how our industries work, without understanding our industry standards, the policy and programs don't take into account how we work.

My question this year and moving forward is how can we create, how can we responsibly engage working professional artists and sustainable development? It is said that the role of the artist is to make revolution irresistible. We are one of the world's

fastest-growing economies. We are incredible creative thinkers and problem solvers. We build new paradigms for cities and drive tourism, as cultural workers we are important communicators during crises and help connect with disconnected livelihoods. We can be of any age, any ethnicity, and work anywhere in the world. We are not charity cases but a growing, thriving economy. Our sector generates more than 29.5M jobs and 2,250B dollars in U.S. revenue. Our world is in need of a creative revolution and yet our livelihoods are at stake. You can help change this trajectory, create artist-friendly policies and support the health and well-being of working-class creatives. Give artists a seat at the decision-making tables and solicit our creative thinking and problem-solving skills and engage us in creating a sustainable world by 2030.



About Creativity

Seb Chan

Chief Experience Officer (CXO)
ACMI, Australia

Seb Chan spoke about revitalizing the visitor experience both on site and online at the Melbourne Australian Centre for the Moving Image (ACMI). Integrating cutting-edge technology means every visitor can get a disc to collect content from the exhibits that they can take home and watch or play later.

“I work at the state-funded Museum of Moving Image Art that is in the centre of Melbourne. We focus on the moving image as well as film, TV and video games. We reopened in February 2021 following major capital works. That meant the museum had actually been closed before Covid-19, since mid-2019.

Museums are inherently about change. Museums and the communities that support museums will need to draw upon this constant spectre of change. This has been, of course, brewing since well before 2020, but was hidden in the record-breaking visitations to large museums throughout the 2010s.

The near future of museums emerging from the Covid-19 crisis is definitely one of less tourism. For the cities that have built and invested in museums as part of a visitor economy, there is an opportunity and a need to rethink. When visitors do return to museums, they won't behave or necessarily want the same experiences they used to.

Since our reopening in February, we have been experiencing quite a different visitor base without any tourists, we are attracting locals, many of whom have never visited before. It has taken three months for us to reach just over 50% of our previous visitation and it isn't 50% spread evenly throughout the week, all with new exhibitions and marketing to match. This is exhausting for our staff and it is very challenging for our revenue models.

Are our cities ready for a museum that doesn't contribute to cultural tourism? And how might our cities need to be redesigned?

We found that the rapid pivot to digital has opened up a very wide gap between museums who had previously invested in digital skills and the infrastructure to deliver them and those who hadn't.

New opportunities have emerged during covid. Digital repatriation has become something we talk about more, virtual tourism and even a renewed awareness of the need for digital preservation, preservation of the lived digital memories of the past year. There are demands for a new social contract between our societies and museums.

There are also demands for more of a representative collection of policies, repatriation, and reparations for colonialism. For museums of art, there is also a need to align closer to where creative practice is heading. The ever-growing gap between the young artists and the microcosm of the fine art market and contemporary art fairs is almost reaching a breaking point. For museums that are historical, the climate is for previously silenced voices to be heard. At its heart, this is about repositioning museums and making them part of a new emerging creative and cultural ecology.

This is a shift for modern museums from providing a utility to a city government, perhaps as an economic attractor, to providing a utility directly to its citizens. Museums could be democratic spaces, curiosity machines because they offer us persistence in an age of ephemerality. Museums could provide refuge from the climate crisis. Museums could be an Agora.

Libraries are ahead of museums in this that this kind of shift, they have weathered two decades of the rise of search and e-books. Now, public libraries more closely resemble community centers. Museums can also make this journey.

The National Museums & Urban Development projects

Sherif El-Itriby
AEA Consulting

At AEA Consulting we develop strategies and plans for cultural institutions around the world.

Last year, my firm was privileged and honored to have been selected by the Hellenic Ministry of Culture and Sports to work on the feasibility and redevelopment strategy for the National Archaeological Museum in Athens. Before I would like to start by asking the following question.

Can museums, as anchor institutions play a role in urban development and regeneration?

The appeal of many of the world's most successful cities comes from their anchor institutions. One of the definitions of anchor institutions is that they are large organizations that have a significant impact on their local economy due to employment and the creation of new opportunities. Their history, relationships, institution, mission, and investments root them in their local community. Their sustainability is inextricably linked to the vitality of the community as it affects demand for goods and services, employee attraction and retention, business operations, and overall competitiveness. Therefore, anchor institutions have a long-term interest in building a strong, healthy local economy.

By this definition, museums as anchor institutions have a vested interest in making sure that their local communities thrive, as we learnt from the Guggenheim Bilbao project in Spain and its impact on the local community in Bilbao. In many instances, museums have served as engines of urban renaissance and even sometimes survival, as with the case of the New Orleans Museum of Art during the year of Hurricane Katrina in the United States.

In many places, they are magnets for economic development. They contribute to urban reinvention and civic pride and even attract and nurture talent in the creative industries, as we've learned from the example of the New Museum in New York City and its role as an anchor institution, nurturing local talent and entrepreneurship. Let us hold this thought -on museums as anchor institutions- for a minute and allow me to present a current reality.

In Athens, Exarchia is a neighborhood, its center taking its name from a 19th century businessman named Exarchos who opened a large general store there, bordered by the vibrant Kolonaki and framed by the beating heart of the 28th October Street. Exarchia is renowned for being Athens' historic core and a unique place for intellectual and political activism.



In 1973, there was the Athens Polytechnic uprising; in 2008, the Greek riots, and in 2017, the European refugee crisis highlighting Exarchia through the ages as a space of activism and people's power, a place where pivotal moments in modern Greek history have taken place. And they're inscribed there forever. Exarchia is also the place of anchor institutions such as the National Technical University of Athens and the National Archaeological Museum.

It is fair to say that the National Archaeological Museum is an anchor institution for the world, given its position as the world's preeminent museum of ancient Greek art, the National Archaeological Museum is beginning a journey of redevelopment to transform itself beyond just a pre-eminent museum of ancient Greek art, but also as an anchor for a vibrant, creative, cultural and educational district that will play its full part in the social, cultural and economic life of Athens and Greece, attracting visitors from Greece and hopefully from beyond, after the world will reemerge from the aftermath of the pandemic.

The redevelopment of the National Archaeological Museum is a rare opportunity to ensure the Museum, as an anchor institution in Exarchia, makes its fullest contribution to the regeneration of the cultural, social, and economic life of the neighborhood. The redevelopment plans include modernizing the museum to make it the pre-eminent global center for ancient Greek art and archaeology and a compelling visit to a destination embracing the highest standards with respect to its environmental impact and also with a substantial digital presence, strengthening its connections with the surrounding area.

Anchoring a cultural, creative, and education district, expanding and elevating the Museum's campus to accommodate current needs and give contemporary physical expression to its aesthetics and also its programmatic ambitions. This brings me back to the initial question I asked myself earlier.

Can national museums as anchor institutions play a role in urban development and regeneration?

Yes, with some underlying conditions that need to be met and managed:

The multiple strategic ambitions of the project are congruent, so the key stakeholders of the project and the surrounding district could work together towards the strategic ambitions of the project.

The formal jurisdictions and legal considerations between the key stakeholders are clarified to ensure a common understanding.

A redevelopment project such as the National Archaeological Museum will take some years to be realized fully. Therefore, **phasing and scaling the project steps driven by a robust business plan and a master plan that addresses all the various crucial elements that are physical and non-physical:**

Stakeholder and community engagement, the urban planning aspirations of the neighborhood, the architectural aspirations of the museum itself, the curatorial and exhibition display aspirations of the museum, its programmatic, environmental sustainability aspirations, the social value creation, digital outreach, and financial resilience.

And we don't forget aspirations for good governance for the long-term operational sustainability of the museum. And also, ensuring the project capital costs are studied and understood, securing the project funding via a combination of public sector support and philanthropy and importantly, ensuring the buy-in and cross-party support for clear legislation that would make sure the Museum carries on forward with its mission to itself and its impact on the surrounding neighborhood.

The ambitions of the redevelopment of the National Archaeological Museum as an anchor institution will be a resonant symbol of Greece, cultural vitality and the regeneration of a neighborhood that engages the affections and attention of Athenians, Greeks and international visitors from all corners of the world.



Closing & wrap up

By Elena Mavromichali

Advisor on Arts and Culture

Culture, Creativity and Inclusive Societies

Appreciating Culture and using Creativity and comprehending their welfare impact allows us to view contemporary challenges with an open mind. It broadens our perspectives and can help us overcome prejudices by improving our understanding of the interactions of the different components of the socio-economic system.

Culture and Creativity act as catalysts for social cohesion, bringing and holding people together in times of trouble, threat, and fear. In socially cohesive societies all individuals and groups have a sense of belonging, participation, inclusion, recognition, and legitimacy. These are only some of the reasons that from grass-rooted initiatives and collectives to policymaking and politics, cultural innovation and creativity is the most important strategic investment for a sustainable, green, and fair future.

This report was co-created with a pool of brilliant people from different backgrounds. It is their comments, ideas, and recommendations that shape the content and make this effort meaningful.

The Delphi Economic Forum has embraced this section on the Creative Economy with generosity and trust, two invaluable ingredients for successful teamwork.



**Sustainability will
save the world.
Creativity will
make this worthwhile.**