



EU Work Plan  
for Sport

2014-  
2017

**Expert Group "Economic Dimension"**

**Report from the 1<sup>st</sup> meeting (24 September 2014)**

**PARTICIPANTS:**

- Experts from the following Member States: AT, CY, CZ, DE, DK, EE, FI, FR, HU, IT, LT, LU, MT, NL, PL, RO, SI, SE, UK
- European Commission: DG EAC, DG ENTR

**1) WELCOME BY THE SCOTTISH HOST**

The kick-off meeting of the Expert Group on Economic Dimension (XG ECO) took place in Glasgow. Participants were welcomed by Bridget McConnell, the Chief Executive of Glasgow Life, who highlighted the importance of the Group's work, in particular in view of the economic benefits of sport as well as the social and economic legacy aspects of major sport events. On the latter she made reference to the 2014 Commonwealth Games in Scotland.

**2) INTRODUCTION**

The European Commission (COM) opened that 1<sup>st</sup> meeting of the XG ECO, which had been set up by the Council to support the implementation of the new EU Work Plan for Sport 2014-2017. COM provided an overview on the overall EU policy context in which to place the Group's work, including the ambitions of the (then) new President elect J.C. Juncker and his team in terms of tackling the big challenges Europe was facing, i.e. bringing people back to work and a performing economy.

According to its mandate, the XG ECO would take into account relevant developments at EU level, build on the work in the former Expert Group on "Sport Statistics" (XG STAT) and develop new outputs. Reports from the Group would be presented to the Working Party on Sport (WPS). The Group was expected to perform its work in accordance with the Work Plan, as a general framework, and a Work Schedule to be adopted by the Group itself. The Group was expected to elect its chairperson. COM noted that 24 Member States (MS) had appointed experts for this XG, of which 19 MS were present.

Referring to its 2014 Communication assessing the first EU Work Plan for Sport, COM also noted that a substantial part of the work in the Expert Groups should above all take place in between meetings – that was a challenge to be met and COM was ready to facilitate cooperation between experts, as needed.

Furthermore, COM informed that Mr Xavier Prats Monné had been appointed as the new Director-General and Mr Jens Nymand-Christensen as the new Deputy Director-General of DG Education and Culture. It also noted that the IT Presidency was currently working on Council Conclusions on sport as a driver of innovation and economic growth, which might include further actions to be undertaken by the XG ECO.

The XG adopted the draft agenda without comments.

As a thematic introduction to the Group's work, AT presented the three deliverables of the former XG STAT. The first deliverable included seven recommendations based on the study on the contribution of sport to economic growth and employment (main results were also presented). The second deliverable consisted of the three manuals for Sport Satellite Accounts (SSAs) from AT, NL and UK, whereas the third focused on future priorities in the field of sport statistics. On the latter, AT noted that it was already partially implemented, i.e. firstly the XG ECO had been established as the successor to XG STAT and, secondly, the cooperation with Eurostat had been strengthened.

**3) ELECTION OF THE CHAIRPERSON**

COM informed that two MS (AT and FR) had expressed prior interest for the chairmanship of the XG ECO. First, the XG listened to the candidature of AT (Mr Gunther Grohall replacing Mr Christian Helmenstein), in particular referring to the active role of Mr Helmenstein in chairing



the XG STAT, and, noting his vision for the group's work (e.g. promote data collection and harmonisation, foster methodological excellence, collaboration with other XGs, chair's code of conduct) as well as his valuable experience in the field of sport economics and sport statistics. Second, FR supported the election of Mr Helmenstein and signalled that it would be interested in being a lead expert of one of the outputs. Subsequently, the XG unanimously elected Mr Helmenstein as the group's chairman. There was agreement that the chairmanship would cover the entire period during which the XG would function, i.e. until a new EU Work Plan for Sport would replace the current one. COM invited AT to chair the rest of the meeting.

#### 4) ADOPTION OF THE WORK SCHEDULE

The chairman asked the COM to present the draft Work Schedule for the XG ECO.

COM presented the draft Work Schedule (including the proposed timetable). The EU Work Plan for Sport identified 'the economic dimension of sport, in particular sustainable financing of sport, the legacy of major sport events, economic benefits of sport and innovation' as a priority for cooperation in sport in the EU context. Annex I specified the outputs and target dates for these three key topics. The Work Schedule recalled the main achievements regarding sport's economic dimension in recent years, in particular in relation to these three topics (i.e. SSAs, major events, sustainable financing) and framed the scope of the Group's work. For the three outputs the work should be coordinated by a lead expert from a MS. The outcomes of the work would be successively presented by the chairman to the WPS by a specific target date. The outputs should pave the way for possible future (EU level or national) activities on the economic dimension of sport. All outputs would feed into the Commission's final report on the implementation of the EU Work Plan to be submitted by the end of 2016.

Regarding the scope of the outputs and the choice of a lead expert, the XG agreed the following:

1. *Recommendations to measure the economic benefits of sport in the EU based on the ongoing work to promote the set-up of SSAs in the Member States (target date: 2<sup>nd</sup> half 2015) – Lead expert: Austria*

In the discussion, it was mentioned that the scope should include aspects of health economics, in particular the connection between investment in sport and reducing health care costs, and the link to higher participation rates. The chairman replied that it would be difficult to directly model this in an SSA. It was mentioned that for some specific topics case studies would be needed to provide evidence to underline a message (e.g. value of volunteering, health and economic benefits of sport, productivity at work through physical activity) and/or a mapping should be done at EU level to see what was already there. COM informed that there was another Expert Group on HEPA, which had two tasks, namely drafting recommendations to encourage physical education in schools and steering the implementation of the Council Recommendation on HEPA.

It was furthermore underlined that there should be a harmonised method (for comparability) to compile the national SSAs. It was noted as a drawback that SSAs were not timely enough to for policy-making. Another important aspect was the interpretation and communication of the results (e.g. how can policy makers make use of an SSA to develop a sport strategy) as well as the dissemination challenge. Concerning the timing, it was explained that, as previously agreed, the national SSAs would be updated on a 3 years wave with 2008 as the basis.

2. *Recommendations on major sport events, in particular on legacy aspects with a focus on social, economic and environmental sustainability (target date: 2<sup>nd</sup> half 2015) – Lead expert: Slovenia*

COM noted that the legacy of major sport events was an issue that has regularly come up in the context of high-level meetings and exchanges of views, e.g. at informal meetings of EU Sport Ministers. Issues of interest included the economic and social impacts of large sport events at



regional and local levels. However, there has been little structured cooperation in the EU context up until now to address challenges relating to the organisation and legacy of such events. In its 2007 White Paper on Sport, the Commission suggested action to address the organisation of large sport events with a view to promoting sustainable economic growth, competitiveness and employment and it looked into the impact of sport practice, facilities and events on the environment, including tools enabling public and private organisations to upgrade their environmental credentials.

In the discussion, the XG agreed that the scope for this output was wider than the economic aspect and it would cover other non-economic issues. Also, the definition of a major sport event would have to be discussed. COM noted that this output was likely to feed into the work in the WPS during the NL Presidency.

*3. Practical guidance on how to encourage transparent and long-term investment in sport, including EU funding, based inter alia on 2012 recommendations on sustainable financing of sport, including state aid (target date: 1st half 2016) – Lead expert: France*

COM explained that the sustainable financing of sport was a key topic and one of major importance for public authorities as well as for the sport movement. Over the past years, cooperation in the EU context involving the Member States, the Commission and sport stakeholders had above all concentrated on the exchange of information and of good practice on topical issues, such as revenue deriving from gambling services or from intellectual property rights in the area of sport, but also the compliance with EU competition law or rules in the fields of state aid, internal market or VAT; particular focus was given to analysing the possible impact of developments in other policy areas on the financing of the sport sector and to identifying possible action in the interest of sport. Under the first EU Work Plan for Sport, the Expert Group on Sustainable Financing of Sport had been tasked with exploring ways to strengthen financial solidarity mechanisms within sport and in 2012 it had proposed recommendations which were submitted to the WPS. XG ECO should build the work inter alia on these recommendations, in particular it should look into the investment side.

Furthermore COM informed about a joint initiative of (now "former") Vice-President Tajani and Commissioner Vassiliou to look into the role and needs of sport-related industries and their contribution to economic growth and innovation. A few meetings had been convened with relevant stakeholders and a non-paper circulated widely, which had however no legal status. The document addressed three main areas for action (to COM, MS and industry): a) infrastructure and how to increase investment in times of crisis (involve private sector, PPP); b) innovation and how sport-related industries could remain competitive, incl. the idea to enhance and encourage clusters (industry/research/academics) to create synergies; c) action to bring added value to the spill-over effects of sport (e.g. construction or tourism). COM noted that the paper had been brought to the attention of MS by the industry.

In the discussion, it was suggested that work on this output could start earlier than proposed in the work schedule; thus it would already be discussed in the next meeting. The final Work Schedule would be distributed with the minutes and would take account of these changes.

## **5) DECISION ON OBSERVERS**

The chairman introduced the discussion on the role and possible participation of "other participants", in line with the annex of the EU Work Plan for Sport. COM presented a list of 15 organisations/entities that had specifically expressed their interest in participating as observers in meetings of the XG ECO.

Following an intensive and thorough discussion, the XG decided to have a separate part at the beginning of each meeting (e.g. morning) together with the observers and then continue the debate in a closed session. Ahead of the meeting, observers would be asked to contribute to the



outputs of the XG. It was stressed by several MS that the XG should be able to benefit from the observers, in particular from data and information organisations had in their assets and the specific experience they could bring in for work on the outputs.

In the discussion, it was suggested that the OECD should be added to the list and invited COM to contact them. Regarding future decisions on other observers, COM suggested distributing any new request to the Group who would then be asked to agree in writing on their participation in the first parts of the meetings. Moreover, relevant organisations could be invited ad-hoc to contribute to a specific agenda point.

## **6) ECONOMIC BENEFITS OF SPORT – SPORT SATELLITE ACCOUNTS (1<sup>ST</sup> DELIVERABLE)**

COM informed about recent developments regarding the cooperation with Eurostat. Following the financial support from DG EAC in 2013, allowing a new staff member at Eurostat to work mostly on sport statistics, there would be a new framework established through a call for tender for a long-term contract (maximum of 4 years). The team consisting of three persons working at Eurostat's premises would be responsible for the development and production of culture and sport statistics. It was foreseen that the contract would start in the autumn 2014. Furthermore, following calls from the Council (2012 Council Conclusions on strengthening the evidence base for sport policy making), COM was looking into possibilities to support national efforts to develop national SSAs in the context of Erasmus+: Sport. COM noted that a lot had been done at EU level regarding SSAs since 2006 and invited AT to give a brief overview on the methodology of SSAs.

AT (SpEA) presented the objectives and introduced the calculation of an SSA. It stressed that the final objective was to develop a harmonised European Sport Satellite Account. In this respect, it was important to have a harmonised methodology and data, as well as to prepare a harmonised manual which could be used as the basis for countries who wanted to develop national SSAs.

### **- Tour de table**

MS were invited to present the state of play regarding the preparation of SSAs at national level.

- AT informed that it had finished the work for the year 2008 (NACErev. 2.0), and also a regional SSA had been produced for the region Styria for the same year.
- In the UK, SSAs were produced for the years 2004-2009, and the aim was now to commission the work for the years up to 2011.
- CY, having SSA results for 2004, looked into possibilities to establish the national SSA for the years 2006 and 2008 (NACErev. 2.0); however, the financial decision was not yet taken.
- PL had produced its SSAs for 2006 and 2008 together with external experts in cooperation with the NSO. A revision is being considered for 2010 and 2012, also in view of the impact of the UEFA EURO 2012, but no decision has been taken yet.
- DE noted that following the results for the German SSA 2008 (funded by the Federal Institute of Sports Science and the Federal Ministry of Interior) the next update for 2010 would be finished by the end of 2014 and for 2012 by the end of 2016. In addition, updated sport economic data would be published on a yearly basis.
- NL confirmed that, following the 2006 results of the Dutch SSA, the work for the years 2008 and 2010 (NACErev. 2.0) was finalised by the NSO; there would be an update every two years or possibly every three years.
- LT informed about substantial progress, as by mid-2014 it had finalised the supply-use table for 2008 and would do so for 2010 by the end of the year. It was important to ensure a good interpretation of the results for policy makers and that the support from Eurostat was required to enhance the cooperation with the NSO.
- FR noted that there were different approaches to measure the value added of sport and that it was not ready to calculate the national SSA in the coming years; it had currently no



- resources to conduct necessary studies to have relevant primary data available.
- RO noted that it carried out studies to measure the economic impact of sport, and based on these studies guidelines could possibly be developed to establish the national SSA.
  - HU confirmed that there were some discussions on setting up a national SSA, but no concrete decision had yet been taken.
  - IT had not engaged in any work on SSA yet; however, at regional level there was some interest from a local government to measure the economic impact of active leisure tourism. Hence there could be a bottom-up approach as from next year.
  - LU stressed that it was still committed to establish a national SSA, but it could not produce the SSA due to data gaps and some technical issues.
  - DK was currently reviewing the financing and structure of its sport sector; there were intentions to bring sport statistics in line with the national accounts. Preliminary discussion could possibly lead in the future to the set-up of the national SSA.
  - CZ informed that no concrete decision was taken in the direction to establish an SSA at national level; however, it was interested to start working on it.
  - SE noted that there was currently no plan to work on SSAs.
  - FI informed that the Ministry of Education and the NSO started the discussion on SSAs, but no result could be mentioned yet.
  - In SI there was a good collaboration with the NSO, but discussion on SSAs had not yet started.
  - EE had no SSA, but had done a study in 2011 on the economic impact of events; each EUR used for an event resulted in an average 4 EUR gain for the region; it was thus rentable to invest in sport events.

In the discussion, several experts mentioned that it was important to continue with the work on national SSAs; however, the use and interpretation of SSA findings should be further discussed and strengthened.

## **7) CONCLUSIONS AND NEXT STEPS**

The Chairman noted that the first meeting was fruitful as it established the working structures within the current EU Work Plan for Sport and provided first ideas for the outputs to be delivered. He thanked all members for their active participation. Following the invitation from the Austrian member, the XG ECO agreed to hold its next meeting in Vienna (Austria) on 21-22 April 2015.

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