

## Report on the subject

### The subject and its handling

On 6 May 2010 the House referred the European Commission's Green Paper *Unlocking the potential of cultural and creative industries* (COM (2010) 183) to the Committee on Cultural Affairs. The Commission invited all interested parties to comment on the questions and text of the Green Paper by 30 July 2010.

On 2 June 2010 the Committee received the Government's Explanatory Memorandum 2009/10:FPM86 on the Green Paper. At a Committee hearing on 3 June 2010, Minister of Culture Lena Adelsohn Liljeroth and members of her staff provided information.

### Substance of the Green Paper

The Commission's aim in publishing the Green Paper is to spark a debate on what is needed to achieve a truly stimulating creative environment for the EU's cultural and creative industries (CCIs).

The Commission notes that the rapid roll-out of new technologies and increased globalisation has meant in the case of Europe a striking shift away from traditional manufacturing and towards services and innovation. If Europe wants to remain competitive in the global environment it must therefore put in place the right conditions for creativity and innovation. According to the Green Paper there is an untapped potential for growth and jobs in the CCIs which can help to achieve the aims of the Europe 2020 strategy<sup>1</sup> and some of its flagship initiatives<sup>2</sup>.

Studies have shown that the CCIs include innovative companies with substantial economic potential. These industries are among Europe's most dynamic, contributing around 2.6% to the EU GDP. They have high growth potential and provide quality jobs for around five million people in the EU's 27 Member States.

The Green Paper notes that cultural contents play a crucial role in the deployment of the information society, fuelling investments in infrastructure and broadband services etc.

It also makes the point that the cultural and creative industries, through partnerships with education, can also play a major role in equipping European citizens with the creative, entrepreneurial and intercultural skills they need.

The key drivers for the further development of the cultural and creative industries are cultural diversity, globalisation and digitisation. For the industries to be able to make the most of the opportunities offered by these key drivers, the challenge is to:

- create the basic conditions giving entrepreneurs better opportunities to experiment and innovate and providing easier access to funding and the right mix of skills,
- help the CCIs to develop in their local and regional environment, as a launchpad to other countries and parts of the world,

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<sup>1</sup> The Commission's proposal *Europe 2020: A strategy for smart, sustainable and inclusive growth* has been discussed by the European Council and is expected to be adopted on 1 June 2010.

<sup>2</sup> As part of the Europe 2020 strategy, the Commission has proposed seven initiatives to speed up growth. These include 'Innovation Union', 'A digital agenda for Europe' and 'An agenda for new skills and jobs'.

- move towards a creative economy by catalysing the spillover effects of the CCIs on a wide range of economic and social contexts.

*Cultural industries* as referred to in the Green Paper are the traditional arts sectors such as performing arts, visual arts and cultural heritage. They also include film, DVD, video, TV and radio, video games, new media, music, books and the press.

*Creative industries* include architecture and design, which integrate creative elements into wider processes, as well as subsectors such as graphic design, fashion design and advertising.

The Green Paper raises a number of questions which the Commission would like to see addressed. These questions relate to the following sections:

- Putting in place the right enablers (3)
- New spaces for experimentation, innovation and entrepreneurship in the cultural and creative sector (3.1)
- Better matching the skills needs of CCIs (3.2)
- Access to funding (3.3)
- Local and regional development as a launchpad for global success (4)
- Local and regional dimension (4.1)
- Mobility and the circulation of cultural and creative works (4.2)
- Cultural exchanges and international trade (4.3)
- Towards a creative economy: the spillovers of the CCIs (5).

## Examination by the Committee

### **Explanatory memorandum**

The explanatory memorandum sets out the Government's preliminary position. The Government welcomes the fact that the Commission highlights the potential of the cultural and creative industries. The Green Paper's conclusions are in line with Swedish policy and the action taken in Sweden, e.g. as part of the Government's action plan on cultural and creative industries.

The Government reiterates Sweden's policy of budgetary restraint . Against this background Sweden must endeavour to ensure that the financial consequences of proposals which may be triggered by the Green Paper are kept within limits. This restrictive approach applies to both the national and EU budgets. Sweden will also seek to ensure that such proposals wherever possible are financed via the national budgets.

The Government notes that it is too early to say how the Commission will proceed following the consultation it has now embarked upon through the Green Paper. This very much depends on the outcome of the consultation. However, it is clear that the Commission attaches a great deal of importance to the questions raised in the Green Paper and that concrete proposals are accordingly likely to be tabled subsequently with a view to creating better conditions for the cultural and creative industries.

### **Principle of subsidiarity**

Since the Green Paper does not include any concrete proposals, there is no call yet for an assessment on the basis of the subsidiarity principle. The Committee would nevertheless like to emphasise the fact that cultural policy is a national affair. At the same time it is inevitable that the culture sector in the Member States will be influenced by the EU's supranational legislation in, for example, the fields of competition, taxation and intellectual property.

The EU's role in culture is first and foremost to encourage and support cultural cooperation between the Member States and to dismantle all barriers between them. Cooperation allows countries to meet and compare, and to stimulate and inspire each other to new cultural and creative activities.

### **The Committee's opinion**

The Committee on Cultural Affairs welcomes the fact that the Commission draws attention to the CCIs' potential to contribute to growth and employment throughout the EU. Both the cultural and creative sectors harbour resources which it should be possible to develop and exploit. What the Member States must therefore do is create a favourable basis for this. However, the conditions and possibilities vary considerably both within and between Member States, owing to their economy, demography, climate, employment rate, levels of education and vocational training, etc. A country such as Sweden, with a relatively small and scattered population, has both advantages and disadvantages in this respect. Policy measures should therefore be tailored accordingly and should vary at regional, national and EU levels.

The Committee would like to start by reiterating the importance of ensuring that the financial consequences of any proposals which might result from the Green Paper have only a limited impact on Member States' budgets and the common EU budget.

The Committee would now like to comment on a number of the questions in the Green Paper by describing certain conditions which prevail in Sweden. In one case an example has been taken from our neighbouring country, Finland. The Committee's opinions follow the structure of the Green Paper.

*Putting in place the right enablers (3)*

**New spaces for experimentation, innovation and entrepreneurship in the cultural and creative sector (3.1)**

For business creation and entrepreneurial measures within the cultural and creative industries to flourish, the Committee considers it necessary for cultural policy activities to *interact* with other policy areas, e.g. education. Measures should therefore be introduced already at school level. Children and young people should have access to different forms of cultural expression, profit from the cultural heritage, and themselves try to participate in theatre, dance or music. Students at higher-education institutions offering artistic subjects should during their basic training also study economics and other subjects required in order to be able to run a business, an aspect also highlighted in the Government's action plan on cultural and creative industries. It would also be desirable for humanities and cultural courses to be seen as a natural element of other courses. This is already the case to some extent, but should be made more widespread. In this way students can acquire an understanding of culture, and the different subjects can feed off each other.

One example of a national activity in Sweden benefiting children and young people is the 'creative school', which aims to give children and young people, regardless of their background, an opportunity to be creative and participate in cultural activities by interacting with professional cultural life as part of their schooling. Another is provided by the municipal schools of culture and music in Sweden, which also aim to develop the creativity of children and young people.

An example of how children's feeling for culture and their creative side can be encouraged has been taken by the Committee on Cultural Affairs from a suburb of Gothenburg. There the municipal college of culture is developing a Swedish variant of the south American musical education programme El Sistema. El Sistema was originally founded in Venezuela to help children in deprived areas to escape from poverty. Children and young people in Gothenburg now have an opportunity to improve their skills in a serious manner first and foremost in the field of classical instrumental music.

In the Committee on Cultural Affairs' opinion, cultural measures of this type may well yield both short-term and long-term benefits. Children take their experiences with them into adulthood, and representatives of artistic and creative professions get jobs and the opportunity to show what they can offer and to pass on their skills.

One example of how different disciplines can feed off each other is provided by Finland. Aalto University in Helsinki was established on 1 January 2010 through a merger of Helsinki University of Technology, Helsinki School of Economics and the University of Art and Design. The hope is that the merger will foster cross-disciplinary cooperation and provide an appropriate framework for interaction between art and science.

Cooperation at both authority level and grass-roots level between different CCI undertakings also needs to be developed, as does cooperation between different sources of funding. Cooperation which can take on more permanent forms and be developed into networking can help to ensure that entrepreneurs receive information and help from each other. Ideally, this should lead to those involved being able to share the costs of development and skills upgrading and reach out to more customers.

The Committee on Cultural Affairs also feels it is appropriate for the administrative burden on undertakings to be reduced and for priority to be given to simplifying the regulations. There is no doubt that creativity will have a better chance to flourish if attitudes among decision-makers and funding sources allow it to. As in all other areas, failures should also be tolerated in the cultural field.

The Committee notes that the trains of thought underlying the Green Paper are in many respects very familiar. In spring 2009 the Committee organised a public hearing on the subject of culture as a creative growth force. Many of the invited speakers' views were very much in line with many of the thoughts expressed in the Green Paper<sup>1</sup>. However, in this connection it might also be appropriate to mention that one of the speakers reminded the Committee that artistic creation is often like a game, without any real purpose and not at all geared to a practical use. Innovative creative art can be described as a game where the rules are laid down afterwards. The artist tries out different approaches without having any sort of guarantee as to how the finished work will be received, and every time puts his or her career on the line.

In the Committee's view it is appropriate for this aspect also to be taken into account in the Commission's further work on exploiting the potential of the cultural and creative industries.

### **Better matching the skills of CCIs (3.2)**

In Sweden, the National Agency for Higher Education (*Högskoleverket*) produces the basis on which universities and other higher education institutions plan their range of courses at basic and advanced levels taking account of the labour market's future needs. A relatively small number of students graduate in artistic subjects, but still the number of graduates often exceeds the demand on the job market. Despite the uncertain job prospects, courses are usually very popular.<sup>2</sup> The Committee on Cultural Affairs suspects that the situation is very similar in other EU Member States, making it something to be noted and taken into account at overall EU level.

In the Committee's opinion, it is first and foremost a task for education establishments to ensure that students' skills in artistic subjects are supplemented by a certain knowledge of, for example, economics, accounting and tax rules. In this way they are more likely to be better equipped for self-employment. This is the case at the University College of Arts, Crafts and Design (*Konstfack*) in Stockholm, which offers courses in these subjects at bachelor and master levels.

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<sup>1</sup> Committee on Cultural Affairs' public hearing on culture as a creative growth force. Swedish Parliament reports 2008/09:RFR10.

<sup>2</sup> Source: National Agency for Higher Education's report 'Higher education courses and the job market — a basis for planning prior to the 2010/11 academic year (2010:1 R)'.

As regards the Green Paper's questions concerning partnership, incubators and coaching, the Committee would like to draw attention to a number of examples from Sweden which might be of interest to the rest of the EU.

In 2004, on the initiative of *Konstfack* and others, *Transit Kulturinkubator* was established and has become an important cooperation partner for *Konstfack*. *Transit* is a non-profit organisation targeting creative and cultural practitioners in the fields of art, design, crafts, film, music and performing arts who have a unique idea in combination with capacity and competence and wish to develop their activities. Entrepreneurs affiliated to *Transit*'s incubator activities are given office space together with other CCI entrepreneurs. They receive regular coaching and advice, both individually and in groups. Every day they are able to exchange experiences, ideas, tips and advice with the other creators in *Transit* and have access to a contact network including subject specialists and sector experts.<sup>3</sup>

*Brewhouse* in Gothenburg is a creative centre with the focus on music, film and media production. It is located in a former water-bottling factory which now houses a large event venue, incubators, office rental space, modern studios, a conference hall and a restaurant. The aim of the incubator activity is to strengthen growth and at the same time bridge the gap between culture and industry. By developing business ideas, setting up companies, providing guidelines on external financing and offering office space in central Gothenburg, *Brewhouse* supports new businesses in the experience economy.

*Gothenburg Film Studios* occupy an old factory in Gothenburg. Around a dozen independent film companies have rented space in the large building and now constitute a cluster. Three different film studios are available, together with various services such as camera and lighting technology, costume supply, set production, sound recording, and sound and picture post-production services. Within a short time five feature-length films have been produced there, together with a whole series of short films, featurettes, advertising spots, TV productions and music videos. These activities do not receive public funding. *Gothenburg Film Studios* have become a meeting point for the film industry where people can meet and benefit from the presence of one another.

The Committee considers it to be of particular interest that one of the above, namely *Gothenburg Film Studios*, has developed completely without public funding, which shows that the business idea is a good one. Other incubator activities may need encouragement through some form of support, e.g. the provision of premises, advice or loans.

### **Access to funding (3.3)**

The Committee on Cultural Affairs shares the opinion expressed in the Green Paper that access to finance is essential to the establishing of businesses within the cultural and creative industries.

The Committee feels it would probably be easier for a not yet established business to obtain venture capital from private investors if the business idea had already been examined by an independent party and found to be viable.

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<sup>3</sup> The information on *Transit Kulturinkubator* has been taken from its website.

*Local and regional development as a launchpad for global success (4)***Local and regional dimension (4.1)**

EU cohesion policy aims to contribute to economic and social cohesion within the EU and reduce regional differences and disparities between people. Its main instrument consists of the Structural Funds, which are also directed at the cultural and creative industries. In addition there would seem to be many different ways of strengthening such businesses so that they are integrated into local and regional development.

One way can be to disseminate examples of good practice involving cooperation between culture and industry, e.g. operations implemented as part of regional growth activities. Another is to set up intermediaries to organise contacts between small CCI businesses and potential customers.

A further way can be to focus on bringing children and young people into contact with high-quality culture. Such activities have a twofold role, in that they benefit children and young people while cultural and creative entrepreneurs obtain work. The Committee on Cultural Affairs touched upon this above, referring for example to activities at ‘creative schools’ and the musical training at the college of culture in Gothenburg. The latter example is based on impressions from another part of the world and can be seen as a global success of the type the Commission is looking for. It is also an interesting integration project.

**Mobility and the circulation of cultural and creative works (4.2),  
cultural exchanges and international trade (4.3)**

In the opinion of the Committee on Cultural Affairs, virtual mobility through the internet is likely to help artists meet online. Similarly, cultural and creative works can be disseminated via the internet, and users can in this way easily gain access to them. It is conceivable that the need to meet in person has diminished. But for centuries artists have moved around Europe, transferring influences from one country to another, and they will surely continue to do so in the future.

In this connection it also worth noting that cross-border cultural cooperation is being developed in many parts of Europe. Such cooperation covers the field of culture, among others. As far as Sweden is concerned, it takes place in the border regions between Sweden and Denmark (Öresund region) and between Sweden and Finland, (Tomedalen), not forgetting the border region between Sweden and Norway (which is not in the EU), where cooperation brings together Värmland county in Sweden and the Norwegian counties of Hedmark, Östfold and Akershus. The cross-border mobility of cultural practitioners should be promoted, and the problems affecting people who live in one country and work in another done away with .

*Towards a creative economy: the spillovers of the CCIs (5)*

The Green Paper asks how the spillover effects of CCIs on other industries and society at large can be accelerated, and how it would be possible to do more to support and promote intermediaries acting as an interface between artists and the cultural and creative industries on the one hand and schools, colleges, businesses and administrations on the other hand.

Concerning the importance of intermediaries transmitting artistic experiences to workplaces, the Committee on Cultural Affairs would like to draw particular attention to *Tillt* in the Västra Götaland region. (*Tillt* is also mentioned in the Green Paper, in footnote 59 on page 20.) *Tillt* has the task at regional level of developing meetings between the culture sector and workplaces in the private and public sectors in Västra Götaland. It offers advice, training and methods of working with culture as a tool for development within working life.

One method applied within *Tillt* is *Airis*<sup>4</sup>, which involves an artist working with and in a workplace for around one year. The artist may be a choreographer, dancer, composer, musician, actor, playwright, visual artist or author. He or she takes part in the workplace's activity and contributes from his or her perspective. A work plan and targets are then drawn up together. The idea is to encourage innovative thinking and change with the help of in-depth interaction between the artist and people at the workplace.

Finally, the Green Paper addresses the question of the spillover effects of the cultural and creative industries, something which has been much discussed in Sweden in recent years. One cannot ignore the fact that culture's interaction with and influence on many other parts of society contribute significantly to the development of society in many different sectors. Examples include education and training, public health and the economy. Some of these aspects of the power of culture have been referred to in this opinion.

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<sup>4</sup> *Airis* is a registered trademark which etymologically has its origin in the concept of 'Artists in residence'. However, the concept of *Airis* stands for interaction of a type not normally associated with 'Artists in residence'.



## Separate opinion

### **Green Paper *Unlocking the potential of cultural and creative industries* (s, v, mp<sup>1</sup>)**

Siv Holma (v), Leif Pagrotsky (s), Lars Wegendal (s), Anne Ludvigsson (s), Gunilla Carlsson i Hisings Backa (s), Göran Persson i Simrishamn (s), Esabelle Dingizian (mp) and Anneli Sjöblad (s) would like to state the following:

We support the views and examples contained in the Committee on Cultural Affairs' opinion on the European Commission's Green Paper *Unlocking the potential of cultural and creative industries*. However, we would make the point that the Green Paper's perspective on culture is restricted and too industry-oriented. As a result, the Committee's opinion has become one-sided. It would therefore have been useful if the Committee, in this connection, had emphasised culture's intrinsic value and the fact that it gives us pleasure, insights, different possibilities of expression and a richer life.

We support the view that children and young people should be given access to different cultural expressions and the possibility of participating in theatre, dance and music. Similarly, we consider it desirable for humanities and cultural courses to become a natural element of other courses. We would therefore like to reiterate that cultural activity is now being abolished as a core subject at upper secondary schools, which we have deplored, as we feel that pupils at such schools should be taught to use and interpret cultural expression forms so that they are not limited in their development, which in the longer term would be detrimental to cultural and social life and reduce creativity.

As for the Committee's remarks on cross-border cultural cooperation, it would also have been appropriate to mention that this takes place on a very wide scale between the Nordic countries under the Nordic Culture Point, which was established in 2007 and operates under the auspices of the Nordic Council of Ministers. Its mandate is to promote and develop Nordic cultural cooperation and contribute to projects under two different programmes, namely the culture & art programme and the mobility & residence programme. The former is aimed both at professional cultural operators and artists and at amateurs and volunteers. The mobility programme is open to participants from the Nordic and Baltic countries, and its aims include mobility for individuals and networking for cultural operators.

It would also have been appropriate to mention the existence of the bilateral funds which exist in the Nordic countries and which are important for cultural exchange. As far as Sweden is concerned, these are the Cultural Fund for Sweden and Finland, the Sweden–Iceland Cooperation Fund, the Sweden–Norway Cooperation Fund and the Sweden–Denmark Cultural Fund.

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<sup>1</sup> s = Social Democratic Party  
v = Left Party  
mp = Green Party