Culture and Tourism
Mini Case Study Puglia Sounds
Work Package 9

Ex post evaluation of Cohesion Policy programmes 2007-2013, focusing on the European Regional Development Fund (ERDF) and the Cohesion Fund (CF)

Contract: 2014CE16BAT034
Ex post evaluation of Cohesion Policy programmes 2007-2013, focusing on the European Regional Development Fund (ERDF) and Cohesion Fund (CF) – Work Package nine: Culture and Tourism

Work Package 9: Culture and Tourism - Case Study Puglia (Italy)
Mini Case Study Puglia Sounds
Contract: 2014CE16BAT034
Work Package 9: Culture and Tourism - Case Study Puglia (Italy)

Mini Case Study Puglia Sounds

This report is part of the Regional Case Study Puglia carried out within the Ex post evaluation of Cohesion Policy programmes 2007-2013, focusing on the European Regional Development Fund (ERDF) and the Cohesion Fund (CF).

Author: Davide Barbieri (IRS)

Date: 15th October 2015
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The European Commission, Directorate-General for Regional and Urban Policy (DG REGIO) is undertaking an ex post evaluation of Cohesion Policy programmes financed by the European Regional Development Fund (ERDF) and the Cohesion Fund (CF) during the period 2007-2013 in regions covered by the Convergence, Regional Competitiveness & Employment and European Territorial Cooperation objectives in the 28 member states.

The Consortium IRS-CSIL-CISET-BOP has been selected to undertake the ex post evaluation on Culture and Tourism (Work Package 9). An important element within the exercise is a series of case study analyses of NUTS2 regions covering interventions co-financed by ERDF during the 2007-2013 programming period.

In addition to the full case studies (at a region’s programme level), each evaluation also includes two mini case studies (focused on individual projects) for each programme case study. As with the programme case studies, mini case studies are based on desk research and semi-structured face-to-face interviews with the main participants involved in the chosen projects.

This report presents the results of the mini case study *Puglia Sounds*. This is the second of two mini case studies selected from among the many projects funded by the 2007-2013 Puglia Regional Operational Programme (ROP) in Southern Italy.

The report begins with a brief synthesis of the Puglia Sounds project before moving on to a fuller description and the presentation of the results of the analysis undertaken. The report ends with a review of the main conclusions of the study, together with a series of lessons learnt for future policymaking.

The mini case study was based on desk research and on a programme of four semi-structured interviews. The four interviewees were identified as part of the wider ROP evaluation exercise of which the mini case studies are part and were selected as being key actors in the design and delivery of the project. They are:

<table>
<thead>
<tr>
<th>Name of the person</th>
<th>Institution, position and role in the project</th>
<th>Contacts</th>
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</thead>
<tbody>
<tr>
<td>Francesco Palumbo</td>
<td>Director of the Promotion of Territory Department of Puglia Region Government, and Coordinator for Axis IV of the Puglia ROP</td>
<td>Tel. +39 080 5405615-51 <a href="mailto:f.palumbo@regione.puglia.it">f.palumbo@regione.puglia.it</a></td>
</tr>
<tr>
<td>Sante Levante</td>
<td>Director of <em>Teatro Pubblico Pugliese</em></td>
<td>Tel. +39 080/5580195 <a href="mailto:sante.levante@teatropubblicopugliese.it">sante.levante@teatropubblicopugliese.it</a></td>
</tr>
<tr>
<td>Claudia Sergio</td>
<td>Manager responsible for ERDF projects at <em>Teatro Pubblico Pugliese</em></td>
<td>Tel. +39 080 55.80.195 <a href="mailto:claudia.sergio@teatropubblicopugliese.it">claudia.sergio@teatropubblicopugliese.it</a></td>
</tr>
<tr>
<td>Antonio Princigalli</td>
<td>Manager of Puglia Sounds and responsible for developing Puglia Sounds</td>
<td>Tel. +39 080 5414819 <a href="mailto:antonio.princigalli@pugliasounds.it">antonio.princigalli@pugliasounds.it</a></td>
</tr>
<tr>
<td>Vincenzo Bellini</td>
<td>Entrepreneur of Bass Culture (firm involved in music sector) and President of the creative cluster ‘Puglia Creativa’</td>
<td>Tel. +39 080 5533307 <a href="mailto:presidente@pugliacreativa.it">presidente@pugliacreativa.it</a></td>
</tr>
<tr>
<td>Sivia Godelli</td>
<td>Regional Counselor for ‘Mediterranea see’, Culture, and Tourism</td>
<td>Tel.+39 080 5406536 <a href="mailto:assessore.mediterraneo@regione.puglia.it">assessore.mediterraneo@regione.puglia.it</a></td>
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1. Synthesis

The Puglia Sounds programme (www.pugliasounds.it) is a Puglia regional government programme designed to develop and expand the region’s music systems and to contribute to the cultural and creative environment of the region.

The music industry in Puglia was characterized on the one hand by small, non-specialized (both in terms of activities and human resources) businesses with a lack of propensity to collaborate and with reduced capacity to penetrate into the international market. On the other hand, Puglia’s musical culture is rich, from its strong music cultural heritage to the presence of many musical events in the region (although very confined to areas of greatest tourist attraction and in the summer), which represent a relevant endogenous resource with high potential.

Puglia Sounds’ main aim is to focus on the endogenous resources of the region in order to transform them into a growing economic sector. Puglia Sounds has focused (alongside other initiatives in the region) at supporting in particular the necessary start up activities involving local inputs (goods, services, human resources) and at expanding the internal and external demand for the outputs of the music sector.

The main objectives of Puglia Sounds are: 1) to expand the region’s music industry with a view to developing it as an economic sector; 2) to increase the visibility of Puglia’s unique musical heritage; 3) to create new and stronger connections between music production and distribution; 4) to create networks between music operators and public bodies; 5) to promote Puglia’s music and the region’s musical culture in Italy and abroad.

Puglia Sounds activities are organized within three different lines of action: (a) live music, (b) recorded music, and (c) the stimulus of export earnings. Moreover, one of projects which simultaneously involves itself in all three lines of activity at the same time is Medimex, Italy’s only music market fair.

The beneficiaries of Puglia Sounds are public and private organizations involved in programming and producing music festival and events and discography producers (both artists and producers).

The overall evaluation of the rationale of the project is largely based on the perception of positive results rather than actual measured ones. It has been very difficult to identify the wider economic gains from the ERDF interventions (in terms of jobs, exports, value added and the like), due to the lack of a monitoring system and evaluation tools. Regardless, the results seem positive, although based on measured outputs and participations to the financed events, that dramatically increased in the 2010-2015 period. Moreover, the support to the production of local music and to participation to international events of local artists also increased, although neither evaluation nor empirical analysis were carried out. Finally, the implementation of the first international music fair in Italy (MEDIMEX), is indicated as a very positive and innovative result. Although based on perceptions, stakeholder interviews and output data, Puglia music now appears to be more widely known at both the EU and world levels.

The lack of a structured monitoring and evaluation system specifically addressed to identify appropriate results and medium-long term impacts for the cultural and creative
sectors still remains a relevant weakness of the programme. Evaluations of the activities were not carried out. A monitoring report was drafted reporting the results of the first implementation year. A second monitoring report is expected by the end of 2015. It must be said that financial resources for evaluation should have been allocated, with particular regard to the impact that Puglia Sound might have on the regional music industry.

The responsibility for the implementation of the programme was given to Public Puglia Theatre (TPP), an administrative body recognized by the Ministry of Cultural Activities and Cultural Heritage and by the Puglia Regional Government.

No specific problem of design and implementation were identified. However, for future strategy, a need for greater involvement of the music chain stakeholders (e.g. cultural associations, service support industries, and the creative cluster ‘Puglia Creativa’) in the monitoring of activities during the implementation phase emerged.

From an operative point of view, Puglia Sounds supports the regional music system through the provision of services subject to ‘public notice’. The characteristics of the public calls (annual, with anticipation of various deadlines for the submission of applications and until the exhaustion of resources), have ensured a better administration and programming by TPP, allowing the workload to extend over a longer time period. They have also given local operators more flexibility in programming and planning their activities, allowing for more opportunities throughout the year.

Regarding the selection criteria for the beneficiaries, despite the absence of actual data on the effectiveness of their application, we can argue that they were used to facilitate the start-up of the activities by local operators. Subsequently, the demand for greater planning and production capacity, has been used to consolidate the system of operators and the networks that have already been implemented.

The availability of ERDF funding over the 2007-2013 period seems to have been essential for the achievement of these results. However, the sustainability of these kind of activities remains a critical issue. The creative industries, and in particular the music sector are still struggling to ‘stand on their own feet’ financially. It can be argued that ERDF has to some degree provided specific answers to specific market failures mainly connected to the small size and fragmentation of local markets. In the longer term, however, the sector needs to become financially self-sufficient.
2. Background information

<table>
<thead>
<tr>
<th>Country: <strong>Italy</strong></th>
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<tr>
<td>Region: <strong>Puglia</strong></td>
</tr>
<tr>
<td>Full project title: <strong>Puglia Sounds</strong></td>
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<tr>
<td>Duration of project: 2010-2015</td>
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<tr>
<td>Key words: culture, creative industry, music</td>
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</table>

**Funding:**
- Total budget: €6,800,000
- ERDF contribution: €4,243,200
- National budget: €1,367,480
- Regional budget: €1,189,320
- Private contributions: Nil

**ERDF Objective:**
- ✓ Convergence
- ❑ Competitiveness
- ❑ Territorial cooperation

**Motivation for selection**

- Puglia Sounds has been chosen as it represents a way in which the Structural Funds can be used to foster the endogenous capacity of a region to stimulate the culture sector;

- **Puglia Sounds** is part of the wider regional strategy to connect tourism and culture. It represents the first ever publicly-supported programme in Italy specifically devoted to supporting and developing the music system of a region;

- The project incorporates innovative elements from both the programming and implementation points of view. The process of designing and then implementing the activities was based on a bottom-up perspective, by strongly considering the needs and opinions of local music sector operators;

- Finally, the achieved results are significant. During the last five years, musical activity in the region has increased dramatically, the networks of stakeholders have also been strengthened, and a more integrated offer in terms of music cultural events has been achieved.
3. Project description

Overall objectives

**Puglia Sounds** is a Puglia regional government programme designed to develop the region’s music system and to contribute to the cultural and creative environment of the region. The resulting musical activities are designed to benefit both tourists and the local population as well as to stimulate greater economic activity. ‘Music system’ is defined as the full set components of artistic performances, professional activities, businesses and institutions that contribute to music creation, production, distribution and the promotion of the region’s musical activities.

The objectives of Puglia Sounds are:

- to expand the region’s music industry with a view to developing it as an economic sector that can stimulate cultural development, tourism and the wider economic growth of the region;
- to increase the visibility of Puglia’s unique musical heritage and hence to improve its position in the major national and international music markets;
- to create new and stronger connections between music production and distribution;
- to create networks between music operators and public bodies in order to make the already extensive system of festivals in the region more competitive;
- to promote Puglia’s music and the region’s musical culture in Italy and abroad, by supporting Italian and international tours by Puglian artists and encouraging touring by artists, operators and music businesses.

Activities

**Puglia Sounds** comprises an interlocking set of actions aimed at fostering the development of the full production chain of the music industry. The various projects which together make up the project are organized within three different lines of action: **Puglia Sounds Live**, **Puglia Sounds Record** and **Puglia Sounds Export**. One of the Puglia Sounds project which simultaneously involves itself in all three lines of activity at the same time is **Medimex**, Italy’s only music market fair.

**Puglia Sounds** was initiated in 2010 and it is now at its fifth year of activity. It is mainly funded by the Puglia ERDF ROP through Axis IV, Line of Activity 4.3: ‘Development of cultural activities and entertainment’. This line has as its main objective the development of new cultural activities aimed at both tourists and the local population, as well as international export markets. In particular, it has been funded by sub-lines 4.3.2 (‘Development of cultural activities and entertainment and action’) and 4.1.2 (‘Marketing actions aimed at strengthening the attraction of Puglia as a tourist destination on national and international markets’).

**Puglia Sounds Live**

**Puglia Sounds Live** is the line of action designed to support and strengthen Puglia music at the community level. It covers the full array of festivals and live shows in Puglia. Despite the desire to create an all-year music scene, Puglia Sounds has
nevertheless also continued to strongly support the all-important (for tourism) summer season activities. In each of the five successive years from 2011 to 2015 Puglia Sounds has invested heavily in what its action plan describes as the "development of the regional music industry: the networks of summer festivals called Puglia Sounds Live". Strengthening the networking of the summer festivals has been a key aim, particularly among festivals with similar artistic themes, geographical locations and activities, bringing together pre-existing festivals and more recent newcomers.

In the 2011-2015 period, **Puglia Sounds** finances the organization of 229 music festivals in the region. As shown in Figure 3.1 below, the programme has supported music festivals across the geographical region (figures refer only to 2011-2014). The different colours in Figure 3.1 refer to the different networks of festivals. Note the concentration of these summer period festivals in the main summer holiday locations (e.g. in the southern part of Salento and along the sea coastlines). A number of events have been also organized in interior towns and villages. During the winter months, Puglia Sounds has organized musical events to encourage more of an all-year music offer in the region; for example **Verso Sud**, **Puglia Winter** and **Puglia Jazz Attitude**. For the 2011/2012 winter season, via the public call ‘Music circuit: music programming/distribution projects for the 2011/2012 winter season’ Puglia Sounds supported three winter music programmes spanning ten of Puglia’s towns and cities with a total of 50 events. The participation to the these events was in some cases free of charge and in others with the payment of an entrance ticket. The ERDF financial resources were only aimed at supporting the organization of the event. In addition to this, the objective of Puglia Sounds was that of supporting the music sector and not to finance activities that should have an immediate economic return.

### Table 3.1. Events, participants and resources - Puglia Sounds Live, 2011-2015

<table>
<thead>
<tr>
<th>Year</th>
<th>Network / Festivals</th>
</tr>
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<tbody>
<tr>
<td>2011</td>
<td>10 networks with 47 festivals</td>
</tr>
<tr>
<td>2012</td>
<td>16 networks with 73 festivals</td>
</tr>
<tr>
<td>2013</td>
<td>9 networks with 38 festivals</td>
</tr>
<tr>
<td>2014</td>
<td>9 networks with 38 festivals</td>
</tr>
<tr>
<td>2015</td>
<td>8 networks with 33 festivals</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>52 networks with 229 festivals</strong></td>
</tr>
</tbody>
</table>

Source: Puglia Sounds.

### Figure 3.1. The Puglia Sounds Network of Festivals 2011-2014

Source: Puglia Sounds.
In 2010-2012 Puglia Sounds has also contributed to the production of new music shows in the region, mainly by directly supporting local artists in producing their own music shows. The selection procedure adopted for the 2010-2012 period sought to encourage the setting up, production and debut in Puglia of new music shows produced by Puglian, Italian and international artists. The support was targeted at providing services for the performances (e.g. a venue for setting up and producing the show, and travel expenses for artists and technicians involved). A total of 65 new productions were financed by Puglia Sounds.

**Puglia Sounds Record**

**Puglia Sounds Record** is a line of action with the objective of producing new records. It seeks to expand the production of new musical recordings. This includes the release of new promotional CD compilations which are distributed free of charge as promotional products. The aim is to allow Puglia artists to start distributing their musical productions and to increase their visibility on the regional (and national or international) territory.

Among its many activities, **Puglia Sounds Record** has so far supported the promotion of 175 new record productions and has released 14 promotional CD compilations with 400,000 promotional copies distributed in Italy and abroad, as Table 3.2 below shows. In 2011 Puglia Sounds undertook the ‘Puglia Sounds Record’ public selection process. This was the first public funding in the region designed to support new recordings. Puglia Sounds supports investment by Italian and international record labels in Puglian artists. Disaggregated data by artist are not available.

**Table 3.2. Outputs of Puglia Sounds Record, 2011-2015**

<table>
<thead>
<tr>
<th>Output</th>
<th>Output</th>
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<tbody>
<tr>
<td>175 new music productions of Puglian artists</td>
<td>12 music compilations distributed through 450,000 copies in IT and abroad</td>
</tr>
<tr>
<td>2 CD compilations dedicated to Domenico Modugno</td>
<td>5 Web compilations for free download</td>
</tr>
<tr>
<td>Source: Puglia Sounds.</td>
<td></td>
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</table>

**Puglia Sounds Export**

**Puglia Sounds Export** is devoted to promoting Puglia’s music industry both in Italy and abroad, as well as to supporting the internationalization process for the region’s music industry. To achieve this, Puglia Sounds participates in the principal international trade fairs and encourages participation by artists and music professionals, contributing for example to the travel expenses for Puglia artists who perform at international fairs. It is also responsible for the accreditation process for music operators.

Participation to the international events is seen as an opportunity for regional artists for increase their visibility on international music sector.

As Figure 3.2 below shows, **Puglia Sounds Export** has supported 491 concerts in 82 countries and five continents in 2010-2014. In 2015, according to recent preliminary data referred to the new public call, additional 71 concerts will be supported.
A distinctive feature of the activities of Puglia Sounds in the 2007-2013 programming period has been its support for **Medimex**, short for **Music Innovation Expo**. Medimex is a three-day ‘music salon’ for audiences of music lovers and an international market fair promoted to Italian and international music operators. The fourth Medimex event took place in 2014. Medimex takes place at the *Fiera del Levante* of Bari, the main trade fair for the whole Mediterranean. Medimex offers its visitors a large exhibition area, live music shows, meetings with prominent artists, discussion panels, conferences and a number of activities to get in contact with the different parts of the music world, while giving artists and operators an opportunity to meet and exchange their views on the future of the music industry. Moreover, it offers to professionals a number of networking activities as well as business meetings and conferences with the participation of representatives of major festivals and Italian and international agencies and institutions.

During the fourth event in 2014 there were 88 exhibitors and 800 Italian and international operators present together with 250 journalists. Since 2011 Medimex has hosted many music operators and most of the big names of the Italian music scene, as well as media and cultural institutions dealing with music. Live music is the core of the three-day agenda of the events that take place within Medimex, including an intense schedule of showcases and concerts leading visitors (both operators and general public) on a journey through the most diverse music styles and genres and the most interesting productions of artists from Puglia, from the rest of Italy and from abroad.

Medimex also provides an opportunity to talk about music and to analyze changes and perspectives of this ever-changing market. Medimex offers its visitors an intense agenda of panel sessions, presentations, conferences and ‘meet the author’ workshops where the artists themselves talk about music along with the most influential voices of
the international music scene.

People visiting Medimex had to pay a ticket for entrance. ERDF financial contribution was only a support for the organization of the fair.

**Beneficiaries**

The beneficiaries of Puglia Sounds are different for each of the envisaged three lines of activities:

- **Puglia Sounds live** is addressed at those public and private organizations that have organized in recent years at least one music festival;
- **Puglia Sounds Record** supports and promotes Puglia’s discography productions (both artists and producers) in the main national and international music markets;
- **Puglia Sounds Export** supports a diverse range of activities, ranging from support to Puglia artists to join Italian and international events to their participation in the most important local music fairs and events.
- **Medimex**, which has already noted, spans all three lines of activity, focuses on the main national and international exhibitors and operators within the music industry.

No structured data are available to describe in detail (number of employees, revenue, composition of the networks, frequency of participation in networks, frequency in organization events in different years) the beneficiaries of the funding of the various lines of activity.

**Expected results**

The main expected result is the development of an economic sector tied to the music industry of the region, which leads to an increase in regional economic development.

Puglia Sounds wants, in particular, to increase the number of musical events in the area and increase participation to these events.

In addition, it plans to develop networks of stakeholders in the music sector, as a condition for the development and dissemination of music consumption throughout the region.

Finally, it plans to spread the music of Puglia throughout Italy and abroad, and create new job opportunities for local artists.

The expected results could not be quantified because a monitoring system to both quantify and verify them is not actually in place.
4. Political and strategic context

The Puglia Sounds project stemmed from an analysis of the cultural sector carried out at the beginning of the programming period 2007-2013. The analysis identified several market characteristics and failures.

The analysis pointed out a widespread presence of cultural events even if mostly concentrated into the touristic areas of the regions. Moreover, the agenda of events presented scarce connections among different events, and often an overlapping of similar events in the regions. Week connections among organizers and lack of coordination of resources were also pointed out. Stakeholders were not organized in structural networks, and the use of limited resources were not optimized.

As part of the overall regional strategy to boost the economic growth, cultural activities (and music sector) were identified as one of the key asset for the development of local economy by improving the development of local creative industries.

The creative sector (including the music sector) was recognized to be characterized by the small dimensions of its constituent sub-sectors and the fragmentation of its main markets. In 2012, the music economy in Puglia was made up of about 800 companies, with a total number of about 3,000 employees\(^1\). Most of these were small enterprises, both in terms of employees (3-4 workers on average), as well as revenue (nearly half with a revenue of less than EUR 50,000). Over 50% of the companies were involved in music production, while about 25% are involved in production and organization of festivals and other music events. 15% were active in the field of support services for live shows (rental of sound equipment and sound management). The remaining were involved in music publishing, training, production of live music and other activities.

The analysis showed that the sector was still not very specialized. Among companies that produced recorded music, only 25% were highly specialized, while the remaining engaged in other activities as well. As for the sector dedicated to the production of live shows, only about 5% of enterprises in the sector were specialized. Companies that deal with services for live performances were still limited in number. They often paired this activity with the production of recorded music. Finally, the discography sector was the least developed and least specialized. There was also a lack of entrepreneurial culture and a limited amount of skilled human resources, particularly with regard to the production and organization of live shows and in the field of business services. Finally, the sector was also characterized by a limited propensity to enter into the international market.

The presence of public intervention in supporting cultural events was seen as significant element to provide adequate funding to assure the development of the sector and a medium/long-term perspective. As such, putting in place several and different activities, as Puglia Sounds has tried to do, inevitably requires larger financial resources than a single region is able to provide.

At the launch of the program, however, the context presented real opportunities for local economic development. The potential of the sector was based primarily on the large music capital of Puglia and the role that it was playing in the field of world music.

\(^1\) Rapporto di Monitoraggio Puglia Sounds, marzo 2012.
The development of cultural (and music) activities were also intended to significantly improve the attractiveness of touristic destination of Puglia and, at the same time, ensuring that tourism development supports cultural and creative industries. With this respect, Puglia Sounds is strictly connected with the overall regional strategy on tourism and culture. The regional strategy’s rationale in the field of tourism and culture was aimed at integrating the policies of these two sectors and its goal was to integrate tourist promotion with interventions which protect the cultural heritage, cultural assets and local ecosystems, developing at the same time, new forms of creativity. The strategy led to the development of a higher quality and more sustainable supply of local cultural and environmental heritage assets by strengthening cultural offerings throughout the territory.

Many small events took place locally, although most of them were concentrated in the more tourist areas of the region (for example, The Night of the Tarantula – La notte della Taranta2), and they were still disconnected from each other with very limited connections among different events, together with some severe overlapping of similar events in the region and undervalued. Weak connections between the various organizers and lack of coordination of resources were also noted. Stakeholders were not organized in appropriate structural networks, and the use of the available (very limited) resources was not being optimized.

However, these events present opportunities both for cultural development in the area and as a means for economic development for the local communities. In this context, ERDF funds were considered an opportunity to implement the measures to support the music industry, focusing on musical resources of the region.

2 The Night of the Tarantula – La notte della Taranta is the main music festival of the region, based on the traditional music and dance called “Taranta”.
5. Implementation

Project design and implementation

The design, implementation, and management of many of the cultural activities of the region were carried out by Public Puglia Theatre (Teatro Pubblico Pugliese - TPP), an administrative body recognized by the Ministry of Cultural Activities and Cultural Heritage and by the Puglia Regional Government. TPP is responsible for the dissemination of culture through theatre performances, dance, children’s theatre and music performances. It operates throughout Puglia. TPP took actions for the design and implementation of the activities, and in particular:

- The design of the project and the contents of the lines of activities envisaged;
- The implementation and management of the selection procedures, including criteria for participation;
- The control of implementation of the activities;
- The management of the relations among beneficiaries.

From an operative point of view, Puglia Sounds supports the regional music system through the provision of services subject to ‘public calls’. Published public calls are intended for legal entities both resident in Puglia and elsewhere, but which carry out the activities of music production, distribution and promotion within the region.

Puglia Live

Puglia Sounds live activities concern the production of new musical performances and the organization of music festivals in Puglia.

As for the production of new musical performances, a public call was launched for the financing of live musical performances in Puglia, to take place in the years 2010, 2011 and 2012, with 4 different deadlines for each period.

Those admitted to the selections had to be subjected with experience in production, distribution, promotion and organization of musical activities, with demonstrated prerequisites:

- Had to have organized (directly producing or co-producing) at least one show in the past 3 years;
- Each production (in Puglia, in Italy or abroad) must be made by at least 15 concerts.

In addition, in the following years, 4 calls were also launched for the organization of music festivals in the region. By music festival, we mean a coordinated series of events, festivals and musical performances, to be carried out in Puglia each year between June 1 and September 30.

The criteria for accessing the funds were:

- have organized in the last three years at least one music festival of a minimum of two days length, with at least four live music shows;
• having comprise a network of a minimum of four organizations, each of which has to be the organizer of at least one festival within the network;

• having the presence of 2 “senior” actors in the network, i.e. operators that have organized at least 2 festivals in the past three years, and 2 “junior” operators, meaning that they have organized, in the same period, at least 1 festival.

In the procedures adopted for 2013-2014, the network has to be composed of at least three ‘senior’ organizations, by which is meant that they have been organizers of at least one festival in the last three years. The music festivals have be made of at least two shows or concerts aimed at promoting regional music. That is, each network has to have organized at least eight shows/concerts of regional music.

**Puglia Export**

In the framework of Puglia export activity, 6 public calls have been launched (from 2010 and 2015, the latter still being implemented), for financing the production, development and programming of live Puglia music shows abroad, and aimed at promoting the regional musical heritage internationally.

Each annual public calls envisaged resources to be distributed at different times throughout the year. The beneficiaries thus had the opportunity to present projects at different times of the year. This was necessary in order to simplify the programming activity by the TPP, and it also assure greater flexibility to the beneficiaries to design and produce the shows in different periods of the year and according to the different possibilities and opportunities offered abroad.

In the 2010, 2011, and 2012 edition, participants had to produce a project with only one show. From 2013, the minimum number of shows for the projects was brought up to 3. Starting from 2014, the three shows had to take place in three different venues. The calls financed travel expenses up to EUR 5,000 in the first two editions, and up to EUR 10,000 in the next. The change in the criteria for evaluation of the projects was based on the desire to facilitate, at the start of the programming, the organization of shows also by those with little experience, allowing for the possibility to design shows and export them more easily. With the progress of the program, the music system was deemed ready and able to take on more complex projects and tours, and therefore the program requested an increased quantity and quality of the projects to be carried out abroad.

Beneficiaries had the possibility to propose project every years. This intended consolidate an strengthen a system of musical performance producers in the region, ensuring their resources for planning in the medium to long term.

**Puglia Records**

This line of activity is dedicated to the promotion of music record production in Puglia, in order to promote the regional cultural heritage.

Regional, national or international production and/or distribution and/or record companies can participate in this activity, presenting projects promoting new record production of Puglia artists and/or musical groups from Puglia (at least 50% of members must be born in Puglia and/or residents of Puglia).

The main requirement for the first edition is to have produced at least one record in
the past two years. The requirements increase over the course of the two subsequent editions: must have produced at least two records in the past three years.

Similarly to Puglia export, the increase in requirement is designed to facilitate, from the beginning of the program, the production and support production even for those with little experience. With the progress of the program, once the music industry was considered ready, the demand for larger productions increased.

A contribution of € 5,000 is awarded to cover the costs of production, which should be at least 500 copies.

During the reference period, 3 public calls were made (2011, for the period 2011-2012, 2013, for the period 2013-2014, and 2015). Each annual call required, as for Puglia Export, the availability of resources to be distributed at different times throughout the year. The beneficiaries thus had the opportunity to present production projects at different times throughout the year. The reasons for this choice are similar, i.e. to facilitate the programming activity by TPP and to allow greater flexibility in the design and implementation of the productions by the beneficiaries.

Management, monitoring and evaluation

The program is organized and implemented by Public Puglia Theatre (TPP). It was designed and coordinated by the responsible of the ERDF funded project of TTP, Claudia Sergio and the project coordinator, Antonio Princigalli, with the support of internal staff.

The total sum of financial resources allocated to Puglia Sounds activities in the 2010-2015 period amounted to €6,800,000, €4,243,000 comprised ERDF resources. Table 3 below shows the annual disaggregation of financial resources for each of the three lines of activities (i.e. Puglia Sounds Live, Puglia Sounds Record and Puglia Sounds Export). The figures for Medi Mex are also shown. For the organization, management, control and monitoring of the activities in the 2010-2015 period, over €1,900,000 was allocated to TPP, as management body of Puglia Sounds. Although this figure might seem high, this was considered by the interviews essential to run activities along the years. The figure include also additional ERDF resources not included in the ROP ERDF 2007-2013. Puglia Sounds has also been able to draw on financial resources from the Interregional OP ‘POIN: Cultural, natural and tourist attractors’. These additional resources were specifically dedicated to the financing of the 2014 edition of Medi Mex. As can be seen, the bulk of the resources have been allocated to Puglia Sounds Live, followed by Medi Mex and then Puglia Sounds Export.
Table 5.1. Financial resources (Euros) for Puglia Sounds, 2010-2015

<table>
<thead>
<tr>
<th>Year</th>
<th>TOTAL allocation (ERDF+National resources)</th>
<th>PS LIVE</th>
<th>PS RECORD</th>
<th>PS EXPORT</th>
<th>MEDIMEX</th>
<th>Management resources allocated to TPP</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>10,299</td>
<td>-</td>
<td>6,427</td>
<td>-</td>
<td>-</td>
<td>6,427</td>
<td>2015</td>
</tr>
<tr>
<td>2011</td>
<td>885,689</td>
<td>144,518</td>
<td>104,021</td>
<td>54,531</td>
<td>249,600</td>
<td>-</td>
<td>2015</td>
</tr>
<tr>
<td>2012</td>
<td>1,261,679</td>
<td>271,814</td>
<td>58,313</td>
<td>145,160</td>
<td>312,000</td>
<td>-</td>
<td>2015</td>
</tr>
<tr>
<td>2014</td>
<td>323,163</td>
<td>102,496</td>
<td>59,280</td>
<td>39,877</td>
<td>-</td>
<td>-</td>
<td>2015</td>
</tr>
<tr>
<td>2015**</td>
<td>410,000</td>
<td>99,840</td>
<td>62,400</td>
<td>93,600</td>
<td>-</td>
<td>-</td>
<td>2015</td>
</tr>
</tbody>
</table>

Total implementation resources, of which (a) 4,097,189 832,012 340,174 448,461 936,000 - 2,556,646

Management resources allocated to TPP (2010-2015) (b) 1,902,811 - - - - 1,187,354 1,187,354

Total of Puglia Sounds resources allocated by ERDF ROP 2007-2013 (a+b) 6,000,000 832,012 340,174 448,461 936,000 - 3,744,000

ERDF Poin (c)*** 800,000 499,200 - - 499,200

Total ERDF (a+b+c) 6,800,000 832,012 340,174 448,461 1,435,200 - 4,243,200

Source: Puglia Sounds.
* Average co-financing rate = 62.4%.
** Estimated
*** ERDF POIN financial resources.

The monitoring and evaluation system remains a weak point of the project. This is true for the entire creative system and in particular the music chain. Puglia Sounds did develop its own internal monitoring system in terms of a number of achieved outputs, but these do not go far enough and there is very little harmonization of measures across the creative industries sector. The implementation of an Observatory of Live Shows and Cultural Activities was initially envisaged at the beginning of the programming period, but it was neither financed nor implemented. By contrast, an Observatory of Tourism was both financed and implemented.

Innovative elements and novel approaches

Puglia Sounds represents an programme designed to foster the endogenous capacity of a region to stimulate the cultural sector while, at the same time, kick-starting a process of economic development.

The main innovative aspect of the project is its uniqueness. This is the first, and so far the only, case of public funding to one sector, that of music, with the aim of developing its economic potential and making it a means for economic development in the region.

From the point of view of implementation, the activities have followed classic public calls. However, certain new criteria for selecting recipients are rather innovative, especially considering the logic of the intervention. Specifically, with the intention of encouraging collaboration between local actors and strengthening the music industry, the requirement for joint participation of networks of actors is valuable.

Constraints on the implementation

Stakeholders and interviewees were of the strong opinion that one of the primary factors driving project performance has been implementation through a network arrangement that facilitates coordination, reduces the administrative burden and which has facilitated the provision of services and goods. This modus operandi has been replicated over the years and, as such, is perceived effective by stakeholders.
However, the implementation process revealed some negative aspects, expressed also by the interviews which were conducted as part of this case study:

Firstly, it was thought by some that there was a greater need to provide financial support to a more structured network of organizations through specific legal binding agreements. Without this it was thought it would be difficult to increase the creation and consolidation of local networks. In many cases it was thought that new networks were being created for the sole purpose of jointly having access to public funds. These networks are unlikely to survive in the longer term. One interviewee noted that "It would be better to support already existing and consolidated networks as to better assure activities in the future";

Secondly, it was thought by some that there was a greater need to involve during the design phase of the policy those actors belonging to the more technical side of the music chain. The establishment and implementation of the 2007-2013 strategy has tended to be defined more with the contribution of cultural associations and their representatives, while the involvement of the more technical side of the market has been limited. The participation in the decision-making process of the technical sector actors could also increase the possibility of them networking more amongst themselves as well as with the cultural associations;

Finally, as one interviewee put it, "the need to enlarge the out-of-season cultural (and music) activities" has been identified as a key element in a strategy of giving continuity to the music programme. This is not only important in itself, but it also, in particular, helps to ensure financial support to the private sector throughout the entire year. Receiving finances only in the short summer period has in the past had the consequence of reducing the chances of local organizations involved in cultural activities being able to survive throughout the year. Having initiatives which are implemented throughout the entire year is also, as noted by one of the interviewees, a "way to stimulate the process of development of cultural demand at local level".

A number of interviewees were also concerned about the continuing weaknesses in human capital development in the music (and creative) chain. This is a widespread feeling in the region, with one interviewee pointing to the "lack of management skills in the creative sector". With this in mind, an important lesson from then 2007-2013 programme can be drawn. The Puglia ROP ESF (European Social Fund) programme financed a training pathway specifically addressed to the development of technical and management skills within the creative sectors. The use of financial resources other than ERDF was considered by one interviewee to be "an important issue for the development of the sector to be further explored during the next programming period 2014-2020".
6. Project results

The main project results consist in:

*The development of an economic sector linked to the creative industry of the region*

There is no data available measuring the main expected outcome, which is the economic development of the region through the music industry.

The monitoring and evaluation system (especially in terms of obtained results and impact measurement) is still the main weakness. Moreover, the region has not performed any overall evaluations of the activities, except for the first monitoring report which, as mentioned, described the music industry in Puglia at the start of the project and analyzed the results relative to the first year. A second monitoring report is expected in 2015, and should produce data to support the development of the music industry following the development of activities of Puglia Sounds organized and implemented from 2010 onward. From the data included, it will be possible to see how the music industry in Puglia has changed over the past three years, during which the implementation of the activities has been intense. However, it should be emphasized that, in order to have an effective measure of the impact of the activities carried out by Puglia Sounds in the area and the music industry, an impact analysis based on specific methodologies is necessary.

A contribution to the development of music sector may be identified in the design and implementation of Medimex. The lack in the past of such an intervention in Italy has been identified as one of the main market failures of the sector. For a number of years, Italy has not had such an important event for the development of the music sector at the national level.

The organization of an international music fair in Italy, and specifically in a southern region, was perceived as being a very positive and innovative development for the national music system as a whole as well for Puglia. Our interviewees were generally very supportive of Medimex. One interviewee noted that "Medimex is one of the main results of Puglia Sounds strategy".

As a result of its four events to date (2011, 2012, 2013 and 2014), Medimex has become an economic and cultural reference for operators and music businesses. In this respect, Medimex can perhaps be said to have become one of the best exemplars of the structured vision of Puglia Sounds. The overall focus can be best summarized as 'music means jobs'.

Participation in Medimex increased yearly during the four-year period 2011-2014, reaching a combined total of 48,300 participants. In the most recent event (2014), an increase of 13% with respect 2013 was registered, with a total increase of 169.8% with respect the first event in 2011, as Table 6.1 below shows.
Table 6.1. Participants in Medimex, 2011-2014

<table>
<thead>
<tr>
<th>Year</th>
<th>Participants</th>
<th>Percentage change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>6,300</td>
<td>-</td>
</tr>
<tr>
<td>2012</td>
<td>10,000</td>
<td>+58.7</td>
</tr>
<tr>
<td>2013</td>
<td>15,000</td>
<td>+50.0</td>
</tr>
<tr>
<td>2014</td>
<td>17,000</td>
<td>+13.3</td>
</tr>
<tr>
<td>Total</td>
<td>48,300</td>
<td>+169.8</td>
</tr>
</tbody>
</table>

Source: Puglia Sounds.

Increase in the offer of musical events and participations

During the last five years musical activity in the region has dramatically increased. A more integrated offer in terms of music cultural events was reached, as data of offered cultural events in region show. This has been the case both in the summer and (to a lesser extent) the winter seasons. It has contributed to what is now a high quality music supply in the region. In the 2011-2015 period, a total of 229 music festival around the region were financed.

In the 2011-2014 period of operation, the network of music festivals and shows and participation in these has increased substantially. Available data shows that the total participation in Puglia Sounds’ festivals has increased yearly, reaching a total of over a million participants in the four annual cycles of the festivals. In the most recent cycle (2014), an increase of 5% with respect 2013 was registered, and a total increase of 85% with respect the first cycle in 2011 (see Table 6.2 below).

Table 6.2. Events, participants and resources - Puglia Sounds Live, 2011-2015

<table>
<thead>
<tr>
<th>Year</th>
<th>Participants</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>170,000</td>
<td>-</td>
</tr>
<tr>
<td>2012</td>
<td>230,000</td>
<td>+35.3</td>
</tr>
<tr>
<td>2013</td>
<td>300,000</td>
<td>+30.4</td>
</tr>
<tr>
<td>2014</td>
<td>315,000</td>
<td>+5.0</td>
</tr>
<tr>
<td>Total</td>
<td>1,015,000</td>
<td>+85.3</td>
</tr>
<tr>
<td>2015</td>
<td>N.A.</td>
<td></td>
</tr>
</tbody>
</table>

Source: Puglia Sounds.

The development of networks of stakeholders in the music sector

The networks of stakeholders have been strengthened, as pointed out by interviewed stakeholders and supported by the the first monitoring report. In the period 2011-2015, music festival activities were organized and implemented through the creation of 52 networks. There is no aggregate data for the analysis of the composition of networks, and therefore it is not possible to indicate the presence of individuals in different editions. However, program managers claim that, over the years, networks and relationships between beneficiaries were strengthened, even with the diversification of groups from year to year. Moreover, in many cases, the festivals, and therefore the networks, that were financed were innovative compared to previous years. Some results may, however, emerge from an analysis of the first monitoring report, produced after the implementation of the first year of activities. These results were also confirmed by our own interviews of key stakeholders:

- firstly, the analysis showed that participation in the networks of organizations organizing events improved both the capacity of the stakeholders to save

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3 Monitoraggio Puglia Sounds, March 2012. Monitoring activity was carried out through the implementation of focus groups and interviews with the organizations involved in 2011 season of festivals.
money and organizational resources and triggered economies of scale for musical productions;

- secondly, sharing information and cultural and creative planning/programming among the organizations appears to have led to a higher quality of the final product. The collaboration among different organizations has strongly contributed to the improvement of the implementation of communication and marketing activities.

- thirdly, the wider visibility of the region in terms of its musical product seems to have been enhanced;

- finally, it has contributed to a more integrated planning of the festivals on the region’s territory.

*Increasing the diffusion of Puglia music throughout Italy and abroad*

There is no evidence nor empirical analysis which demonstrates an increased acquaintance with music from Puglia in Italy and worldwide. The only available data, shown above, demonstrates an increased effort in producing music in Puglia (through Puglia Record) and in supporting production and organization of concerts abroad (Puglia Export). However, the improvement of the importance of the Puglia music scene at EU and world levels is perceived by interviewees, as well as a consolidation of the tourism brand of Puglia as a region of with strong cultural traditions.

The importance of the support of Puglia Sounds in the production of music from Puglia and its diffusion abroad was also positively evaluated by the stakeholders interviewed, and innovative elements may be identified:

- participation is devoted to regional artists that had the opportunity to enlarge networks for participation in national and international events. The importance was stressed of an international presence for the artists for the promotion of their activities, and hence the possibility of selling their product;

- the increase in contacts with producers and foreign artists has increased the possibilities of co-production of recordings;

- the diffusion of regional music production was also increased by the contribution to physical production and the distribution of produced CDs in the context of the music scene in the region and abroad.
7. Sustainability and transferability

The case study has revealed a number of problems as well as successes. Whilst the enhancement of the supply of cultural events in the region in recent years was widely welcomed, the sector remains heavily dependent on public funding. This is quite a common characteristic of cultural activities in many parts of the world, particularly in the start-up phase. The reliance on public sector funding was widely noted by our interviewees, one of whom pointed to "the importance of public support for the start-up of the music system, as well as for new economic sectors is crucial".

Our field work interviews and analysis have also shown that the ERDF has provided welcome stability of funding in a sector where funding can be very volatile. This volatility has been particularly apparent in recent years as other sources of public funding have declined. This is important in generating a virtuous cycle of growth and economic development.

ERDF involvement can therefore be justified as a form of the long-established ‘infant industry’ case for public funding. However, the downside is that, according to the interviewed people, there are serious problems of sustainability without ERDF funding. This issue is likely to remain an important one in the 2014-2020 programming period and it raises the issue of just how long it will be necessary before ERDF funding can be withdrawn from the support of cultural activities (or at least from some of them given their wide diversity) and how long the sector will need before it can stand on its own feet financially. An analysis of the ratio revenues-costs in order to better understand the extent of the sustainability problem was not carried out, but could prove to be important for the next programming period.
8. Conclusion and lessons learnt

Planning and governance

- A participative and bottom-up approach is best at facilitating the implementation of cultural and creative activities.
- There is a key role for a central policy authority (in this case the regional government).
- The presence of a significant pre-existing distinctive cultural heritage (in this case traditional music) is necessary. Vibrant new cultural industries are very difficult to produce from scratch.
- The presence of an initial cluster of cultural associations and industries in the (music) sector is also very helpful.

Implementation

- More effective implementation is obtained through network agreements rather than individual interventions.
- Networking designed to share information, services, goods and cultural resources (artists, etc.) seems to work well.
- There is a need for greater involvement of the music chain stakeholders (e.g. cultural associations, service support industries, and the creative cluster 'Puglia Creativa') in the definition of the future strategy and in the monitoring of activities during the implementation phase.
- There is a continuing lack of adequate management skills in the creative sector.
- There remains a weak involvement of technical parts of the music chain in the programme.
- The technological development of services in the support industries remains weak and this is also true among the cultural organizations.

Management and monitoring

- There remains a lack of a structured monitoring and evaluation system specifically aimed at identifying appropriate results and medium-long term impacts for the cultural and creative sectors. This would require a monitoring system already in place at the time of designing of the programme. It would also require the definition and implementation of a specific method of analysis measuring the impact. Anyway, financial resources for such issue should have been allocated.

Results

- The overall evaluation of the logic of the project is largely based on the perception of positive results rather than actual measured ones. There is no data on the actual increase in income generated by Puglia Sounds and in the development of the music sector. It has been very difficult to identify the wider economic gains from the ERDF
interventions (in terms of jobs, exports, value added and the like). Nor have the knock-on multiplier effects been estimated.

- Although based only on outputs and some results of participation to the events, the results seem positive. In particular, the offer of music festivals and events in the region and the participation dramatically increased over the 2010-2015 period.

- The support to the production of local music and to participation to international events of local artists also increased. However, there is no evidence that shows an increased acquaintance with music from Puglia throughout Italy or abroad.

- The implementation of the first international music fair in Italy (MEDIMEX), and specifically in a southern region, was perceive as being a very positive and innovative result.

**Sustainability**

- The sector remains heavily dependent on public funding and hence there may be problems of sustainability without ERDF funding. This raises the issue of just how long it will be necessary before ERDF funding can be withdrawn and the sector will be able to stand on its own feet financially.

- The culture sector has weak access to private financial resources. There needs to be a significant initial effort in terms of financial resources provided by the public sector (including ERDF).

- More easily accessible financial support to music sector organizations is needed, as cultural and creative actors and organisations are generally small and frequently operate in precarious financial circumstances.
References

- Puglia Sounds, Monitoraggio Puglia Sounds, March 2012.
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