

**Culture &
Creativity**

EU-Eastern Partnership Programme



DEVELOPING CULTURAL AND CREATIVE INDUSTRIES IN UKRAINE

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1. EXECUTIVE SUMMARY

The Cultural and Creative Industries (CCIs) have been recognised by the EU and integrated into its policy documents and programmes for more than a decade. This report provides a bird’s-eye view of the cultural and creative industries sector in the six countries of the EU-Eastern Partnership: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine, but most importantly, it provides country-specific view on challenges and tailored recommendations for Ukraine’s CCIs.

Ukraine’s main general opportunities include:	Ukraine’s main general challenges include:
<ul style="list-style-type: none"> > Dynamic start-up scene and highly skilled IT workforce facilitates the development of creative economy > Recent EU visa regime for Ukraine allowing free movement and exchange > Ongoing decentralisation process provides opportunities for development of new social-cultural fabric at local level > Increasingly popular “Made in UA” movement alongside government focus on supporting “national cultural product” and the promotion of Ukrainian as official language > Growing role of civil society in activation of communities and promotion of participation in the field of culture 	<ul style="list-style-type: none"> > Digital technologies potential is not fully taken into account in policy development, notably for decentralisation and democratisation of cultural access > Slow pace of decentralisation reform due to lack of capacity at local level and risk of not integrating the CCIs in local and regional development > Ongoing Ukraine-Russia territorial and armed conflict in the east absorbs resources and accentuates nationalism in detriment of cultural diversity > Lack of trust between authorities and the independent civil society hinders the advancement of the democratisation process

Specific Opportunities and Challenges

1. Recognising CCIs’ transversal character in Ukraine

Opportunities	Challenges
<ul style="list-style-type: none"> > Development of CCIs is among the priority goals of the "Long-term National Culture Strategy 2025". The Ministry of Culture has established the Department of Cultural and Creative Industries in 2016. > Cinema development is one of the priorities within the framework of promotion of national cultural products. > Recent establishment of National Book Institute to support the sector’s growth. > Ongoing decentralisation offers a setting for local authorities to invest into cultural and creative sectors. > UNESCO Culture for Development Indicators reveal a relevant contribution of CCIs to economic growth and social development in Ukraine. 	<ul style="list-style-type: none"> > CCIs are officially not perceived as priority area for the country’s overall development. National culture product bill needs to be integrated into wider creative economy plan. > Lack of cooperation between central and local authorities in the field of culture. > Discontinued policy initiatives regarding audiovisual and cinema development. > Lack of synergies between ICT and wider creative communities.

2. Setting up participatory policies and platforms

Opportunities	Challenges
<ul style="list-style-type: none">> Bottom up participatory process of developing a national long-term culture policy – Culture 2025 spanned the wide CCIs community.> Emergence of professional platforms that promote engagement via CCIs.	<ul style="list-style-type: none">> Lack of communication among the wider CCIs community hindering clear representation and advocacy.> Culture 2025 policy participatory process failed to establish permanent channel of communication and working cooperation structures between CCIs and authorities.

3. Building on emerging creative hubs

Opportunities	Challenges
<ul style="list-style-type: none">> Booming scene of emerging creative hubs and related projects throughout the country responding to actual needs of entrepreneurs.	<ul style="list-style-type: none">> Fragmentation of existing creative hubs community.> Lack of support for the creative community to access and make use of new spaces.> Cultural institutions require new management and business models, in order to serve as focal points for experimentation and showcasing.

4. Easing access to specific funding and support

Opportunities	Challenges
<ul style="list-style-type: none">> Recent establishment of the Ukrainian Cultural Fund introducing a new competitive funding system.> Emergence of bottom up fundraising initiatives to develop social and creative innovation and entrepreneurship.> Improvement of conditions for film making, including a tax code for the national film industry (2015).> Booming ICT start-up scene has been acting as trailblazer to gradually push the facilitation of legal procedures regarding business development.> Establishment of law for public broadcasting and promotion of conditions for transparency of media ownership (2015).	<ul style="list-style-type: none">> Lack of public incentives and supportive legal framework to promote business development in the CCIs as well as make sponsorship and investments more attractive.> Lack of specialized support services and alternative funding sources to creative enterprises.> Foreign films dominate the screens in Ukraine, while local productions are hardly to be seen in Ukrainian cinemas.> Deficient copyright awareness and management.> Lack of transparency and diversity in the media industry.> Scope of sanctions against Russian contents and media professionals are considered too restrictive.

5. Improving creative entrepreneurial education and skills

Opportunities	Challenges
<ul style="list-style-type: none">> Emergence of grassroots open platforms to promote informal learning and skills development.> Emerging CCIs and management curricula being proposed by higher education	<ul style="list-style-type: none">> Strategic and managerial skills are lacking among CCIs professionals in public and NGO sector hindering their organisational and business development.

<p>institutions, notably in business schools.</p> <ul style="list-style-type: none"> > Creation of education centre for fashion following the success of Mercedes-Benz Kiev Fashion Days. 	<ul style="list-style-type: none"> > Promotion of creativity and entrepreneurship are missing from education and training offer.
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6. Developing audiences and markets

Opportunities	Challenges
<ul style="list-style-type: none"> > Increasing offer and interest for local shopping are opening up new opportunities for Ukrainian brands. > Emergence of audience development strategies among some arts and culture institutions. 	<ul style="list-style-type: none"> > Low level of cultural consumption and participation reveals a gap between offer and demand in the creative economy market. > CCI outputs are catered to professionals, while a relationship with the market is often neglected.

7. Encouraging internationalisation and cooperation

Opportunities	Challenges
<ul style="list-style-type: none"> > Ukraine joined the Creative Europe Programme in 2015 > Set up and intensification of Creative Europe Desk work > Positive efforts of international promotion of Ukraine abroad. > Successful participation of Ukrainian cities in the Intercultural Cities Programme of the Council of Europe. > Participation in the Creative Business Cup (Copenhagen) > Festivals act as focal points for the sector's professional development and promotion. 	<ul style="list-style-type: none"> > Lack of skills and know-how within the CCIs community for international networking and fundraising, in particular to maximise the potential of the Creative Europe Programme. > The need for greater compliance with the EU's audiovisual legislation hinders the full participation in the Media sub-programme of Creative Europe. > Ongoing process to integrate Eurimages has not been concluded. > Inconclusive discussions on the legislation of certification of national product/film hinder international co-productions. > Random and fragmented support to international mobility prevents long-term maintenance of international links and partnerships. > Lack of a cultural diplomacy strategy integrating a wide range of CCIs.

Recommendations on developing CCIs in Ukraine

1. Policy-making, Participation and Platforms.

- > *Recognise the role of culture and creativity in development and adopt a wider vision for CCIs*
- > *Raise awareness about the CCIs and develop sustainable action plan at all governance levels*
- > *Support alliance-building within CCIs and strengthen the link with ICT sector*

2. Infra-structure, Funding and Frameworks

- > *Link and support the development of necessary infrastructure and creative hubs*
- > *Promote favourable ecosystem and legal framework for CCIs*

3. Skills, Audiences and Markets

- > *Promote creativity and entrepreneurial skills throughout education system on all levels*
- > *Engage and promote CClCs among wider audiences*

4. Internationalisation and Cooperation

- > *Promote Ukrainian talent and creativity worldwide*
- > *Provide resources for international cooperation and trade*

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Cristina Farinha, Senior Expert (Portugal), author.

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2. CREATIVE INDUSTRIES IN THE EU

The cultural and creative industries (CCIs) have been recognised by the EU and integrated into its policy documents¹ and programmes for more than a decade. The creative economy, a wider sector that goes beyond traditional arts and culture disciplines and comprises a larger number of interconnected activities and sub-sectors has a potential that is being acknowledged by other international organisations such as the Council of Europe, different United Nations organisations² as well as by national, regional and local governments and institutions worldwide.

Prior to this the sector's capacity to generate non-market values had long been considered in terms of symbolic, non-material and educational input. More recently, there has been a growing understanding that the sector can impact the economy directly and indirectly by generating growth and jobs, stimulating innovation, and contributing to social and sustainable development.

Research and data collected worldwide support this assumption. In the EU, the core creative industries generated 558 billion Euros in value added to GDP - approximately 4.4% of total European GDP, according to data from 2011.³ These industries represent approx. 8.3 million full time equivalent jobs or 3.8% of the total European workforce. Statistics also show that most CCIs have a higher percentage of youth employment than in the rest of the economy, and the sector has proven very resilient compared to others during the 2008 economic and financial downturn in Europe. Global economic data for 2013⁴ shows Europe leads this sector and is becoming a catalyst for development. The CCIs generate 3% of world GDP (2,250 billion US Dollars in revenues) and provide 29.5 million jobs worldwide.

Despite this growing recognition, their development has been slowed down by the fact that the CCIs overlap diverse policy areas such as culture, education, economic and urban/regional development. In recent years, the debate about the role of CCIs in the EU has focused on following key issues:

- > **Mainstreaming CCIs into the EU strategic agenda to foster a holistic European wide ecosystem.** *CCIs remained largely absent and an untapped resource in the EU2020 strategy⁵. At a higher level, some EU institutions are recognising the role of culture in achieving the Sustainable Development Goals and efforts are being made to consider culture as a key driver in its response to the 2030 Agenda for Sustainable Development. The EU needs to further acknowledge and invest in CCIs and explore its potential to contribute to growth and employment; to become a catalyst for innovation; and a key element in global competition and soft power. Innovation, entrepreneurship and CCIs have been*

¹ Such as the Communication on promoting the cultural and creative sectors for growth and jobs in the EU (2012), the Communication on cultural heritage (2014) and the European Parliament Resolution on a coherent EU policy for cultural and creative industries (2016).

² UNESCO – United Nation Organisation for Education, Science and Culture; UNCTAD - United Nations Conference on Trade and Development; UNDP-United Nations Development Programme.

³ Tera Consultants (2014) The Economic Contribution of the Creative Industries to the EU in terms of GDP and Jobs.

⁴ Ernst & Young (2015) Cultural Times: The first global map of cultural and creative industries, CISAC-International Confederation of Authors and Composers Societies.

⁵ https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/eu-economic-governance-monitoring-prevention-correction/european-semester/framework/europe-2020-strategy_en

officially ear-marked as cross-cutting topics⁶ in EU programmes such as Horizon 2020 research and innovation, COSME for SMEs (including Erasmus for Young Entrepreneurs), Start-up Europe, Erasmus+, INTERREG-Territorial Cooperation and the EU structural and cohesion funds.

- > **Integrating the competitive advantage of CClIs into regional development “smart specialisation” strategies for regional promotion, innovation and social-economic development.** CClIs have the capacity to interact with other activities that often give rise to agglomeration and clustering effects that tend to contribute to a high proportion of added value locally. Several EU regions have been channelling structural and cohesion funds to CClIs, especially for mapping assets, resource mobilisation, strategic partnerships and clusters and improving the infrastructure and services.
- > **Recognising CClIs strategic relevance for urban development policies, notably through the European Capitals of Culture (ECOCs) initiative.** Cities have always been suitable locations for artists and creatives to thrive. Emerging creative hubs, new hotspots where professionals create, meet, collaborate and showcase their work are becoming drivers for city regeneration, giving new functions to abandoned industrial areas or disused buildings, which attract parallel services and businesses. ECOC, the EU long-standing flagship initiative, has evolved from an international artistic and cultural programme into a more structural initiative, which engages cities to include cultural development and CClIs into the strategy of their development policies. ECOCs bridge European cooperation and culture with innovation, tourism and urban planning stakeholders.
- > **Incorporating CClIs into innovation and research and development (R&D) programmes.** The capacity of CClIs to contribute to innovation processes has been only gradually recognised and supported. Since 2010 the Innovation Union (an EU2020 flagship initiative)⁷ has highlighted that innovation is increasingly driven by non-technological factors such as creativity, design, branding and new organisational processes. The initiative also noted that user-driven innovation processes and the role of CClIs in establishing meaningful relations and connecting with audiences and citizens are important.
- > **Promoting spill-over effects in other industries and society.** CClIs have a strategic position to bring about spill-over effects in other industries and fields, as they overlap art, science and technology. Cultural and creative skills can be valuable for other professional areas, CClIs can provide content for ICT, impact tourism and be integrated into several stages of value chains, notably manufacturing and high-end industries. This catalytic potential is also a resource for social innovation, health care and social challenges, such as environmental issues. Breaking down silos and fostering cooperation among diverse policy areas are required to facilitate this cross-sectorial fertilisation as well as promoting clusters where different stakeholders can collaborate.
- > **Refining capacity to respond to new opportunities that digital technologies bring into CClIs value chains.** The fast development of digital technologies is making the internet the main marketplace, thus contributing to the increasing

⁶ 2015 Council conclusions on ‘Cultural and creative crossovers to stimulate innovation, economic sustainability and social inclusion’.

⁷ European Commission (2010) Communication on Europe2020 flagship initiative Innovation Union.

complexity of creative industries value chains. This means CClS need to constantly learn new skills and adapt their means of remuneration. ICT is also bringing new opportunities for CClS regarding business models and more direct forms of interaction with audiences based on co-creation and further user-engagement. The EU is monitoring the digital change in creative value chains to address all consequent market imbalances, build capacity and foster diversity of contents and expressions.

- > **Improving access to finance, notably through the EU's new CClS guarantee facility.** Access to diverse funding sources is a crucial barrier for CClS. The Creative Europe Programme (2014-20) earmarked €121 million to a financial mechanism acting as insurance to financial intermediaries (e.g. banks) offering loans to CClS initiatives. The financial intermediaries will be also provided training programmes to better understand the needs of CClS projects.
- > **Promoting cross-border networking and alliances of creative hubs and creative entrepreneurs** – European Creative Hubs Network⁸ and Creative Tracks⁹. The European Commission is supporting two pilot projects to create the European Creative Hubs Network and international young creative entrepreneurs' platform Creative Tracks. These pilots are building up communities by circulating information and promoting gatherings, peer-to-peer training programmes, mapping, matchmaking facilities and competitions, and offering a common stage for these support structures across the globe to share and learn from each other.
- > **Developing a qualitative and quantitative understanding of CClS impact – the Cultural and Creative Cities Monitor¹⁰.** The European Commission together with Eurostat – the EU statistics office – and its Member-States, as well as international organisations such as UNESCO and OECD, have been working on the improvement and international harmonisation of data collection and analysis of the contribution of CClS to economy and to overall society. There is a growing need to further invest in new ways of capturing CClS qualitative effects. Other information-gathering methods such as storytelling and interviews are being considered. In 2017 the European Commission and the Joint Research Centre launched the Culture and Creative Cities Monitor. This platform maps and monitors CClS assets in selected cities (currently 168) and measures their quantitative and qualitative value and impact in a systematic and comparable way. This tool is a step to support efforts to put culture at the heart of cities' development agendas and to develop new ways of analysing and producing evidence for CClS.
- > **Highlighting the role of CClS to EU external relations in opening up new markets and contributing to sustainable development and cultural diversity across the globe.** The EU Council has recently adopted conclusions that endorse the European Commission communication¹¹ on the new EU strategic approach to international cultural relations. Recognising the pioneering role of Europe in the CClS sector, it will contribute to creating a conducive environment for CClS to continue expanding creating growth and employment, support cultural production as driver for tourism and development, while opening up new channels of communication, intercultural dialogue and peace building.

⁸ <http://creativehubs.eu>

⁹ <http://www.creativetracks.org>

¹⁰ <https://composite-indicators.jrc.ec.europa.eu/cultural-creative-cities-monitor/>

¹¹ European Commission (2016) "Towards an EU Strategy for international cultural relations".

3. MANDATE AND METHODOLOGY

This report provides a bird's-eye view of the cultural and creative industries sector¹² in the six countries of the EU-Eastern Partnership: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine, but most importantly, it provides country-specific view on challenges and tailored recommendations for Ukraine's CCIs.

The mandate is to analyse the current state of CCIs in these countries, identify their main challenges and opportunities, to draw recommendations, set directions and further steps ahead. This approach intends to go beyond simply targeting policy-makers at national and the EU level. It is designed for all those interested and potentially intervening in the CCIs diverse ecosystem. The key target groups include: Policy-makers and authorities from the Eastern Partnership region at all levels – national, regional and local –, the EU and international counterparts; the various sector professionals from all disciplines and sub-sectors, their organisations, enterprises and institutions and all related stakeholders notably from education and business community that are connected with the CCIs development agenda.

Regarding the scope of CCIs used in this report, the term “cultural and creative industries” encompasses a diverse and dynamic spectrum of disciplines or sub-sectors that are different in each country. These disciplines are constantly evolving and interacting therefore it is not feasible to set strict definitions and define clear-cut concepts, however these references were used to guide the preparation of this report:

- a) *The starting point is the concept of cultural and creative sectors contained in the regulation¹³ establishing the Creative Europe Programme. It includes an extensive definition, that comprises all activities based on cultural values and/or artistic or other creative expressions, including, inter alia: architecture, archives, libraries and museums, artistic crafts, audiovisual (including cinema, videogames, multimedia and television), tangible and intangible culture heritage, design (including fashion design), music and literature, performing arts, publishing, radio and visual arts.*
- b) *Cultural and creative expression is specific to each country. In each of the six Eastern Partnership countries other related activities could be considered if they demonstrate potential, e.g. ICT, media, communication and advertising, fashion and luxury goods, gastronomy, wine production and cultural tourism.*
- c) *The report focuses mostly on how to promote and improve the conditions for the development of these disciplines, sub-sectors or activities within the CCIs, that are either scalable and/or able to generate income and become sustainable and contribute directly to economic growth and employment.*

¹² In addition, the EU-EaP Culture & Creativity Programme has commissioned national sub-sector reports for gathering further specific insights on cultural heritage, audiovisual/film, performing arts, and literature. Moreover, to have regional perspectives to CCIs development, there is an ongoing process of piloting a creative town/region in each of the 6 countries: Sisian (Armenia); Shamkir (Azerbaijan); Svetlogorsk (Belarus); Mtskheta-Mtianeti (Georgia); Orhei (Moldova); and Kosiv (Ukraine). Finally, the Programme has launched a cultural indicators development initiative, taking place in most of the EaP countries that will give an overview of CCIs cultural, economic and social contributions. More information: <http://www.culturepartnership.eu/>

¹³ Article 2, Chapter I of the Regulation (EU) No 1295/2013 of the European Parliament and of The Council of 11 December 2013 establishing the Creative Europe Programme (2014 to 2020).



The preparation process for the report was planned to last over six months period, from autumn 2016 to spring 2017. Fieldwork was based on intensive missions to the region's six capital cities (in Ukraine, Lviv was also included). In these field trips, interviews, meetings and discussions took place with main stakeholders, including policy-makers and creative professionals and organisations, individually and within group workshops. The mission also included visits to creative hubs, venues and institutions. Data collection and feedback was complemented by desk research on existing literature and references.

While the EaP countries have many common elements, these countries also have significant differences. These countries share many common challenges in developing their CCI agendas and might benefit from common actions, but they might translate differently. This report identifies the main challenges and opportunities to develop CCIs in Ukraine. Many of the challenges are shared with several other countries (and regions) in other parts of the globe, including in other parts of Europe and the European Union. As CCIs are related to a new economy based on talent/human resources and creativity, the sector's development requires the creation of a whole new ecosystem. There are no ready-made solutions available.

For each challenge, the report proposes examples from the European Union countries. Some cases are long-lasting proven initiatives, others have just started and are yet to be fully evaluated. These examples¹⁴ from other countries intend to be inspirational, they give account of practices that can either be replicated with the necessary local adaptations and/or serve as starting point for EaP countries to investigate and from there develop their own distinct solutions. Recommendations for promoting the sector development are presented for a short-term perspective as well as for a mid-term perspective.

4. DEVELOPING CULTURAL AND CREATIVE INDUSTRIES – REGIONAL ANALYSIS AND DETAILED VIEW ON UKRAINE

4.1 Brief analysis of the national context

Opportunities

- > *Dynamic start-up scene and highly skilled IT workforce facilitates the development of creative economy*

The availability of tech-qualified professionals has made Ukraine an outsourcing force in the IT domain¹⁵, notably in Kyiv, Kharkiv and Lviv. The IT scene is dynamic, there has been a surge in emerging support organisations such as Startup Ukraine and the UNIT City Innovation Park, that provide necessary services and connect

¹⁴ Examples were chosen according to what fitted best the challenges under analysis and based on literature as well on the expert's knowledge.

¹⁵ Data published by Liga.net states that the IT sector contributed in 2016 to approx. 3.3% of Ukrainian GDP; while Kharkiv concentrates 40% of all outsourcing capacity in Ukraine; and in Lviv, the IT sector corresponded up to 14.4% of the city's GDP.

entrepreneurs with resources and business angels, organise numerous events as well as provide co-working places.

- > *Recent EU visa regime for Ukraine allowing free movement and exchange*

The recent liberalisation of the EU visa regime for short term stays by Ukrainian citizens provides free movement and exchange with the EU and is the result of Ukraine's successful implementation of diverse EU-sponsored reforms.

- > *Ongoing decentralisation process provides opportunities for development of new social-cultural fabric at local level*

The ongoing decentralisation process is an opportunity to renovate the country's cultural sector fabric throughout the whole territory, notably regarding infrastructure and management models. Some participatory approaches are already being used, bringing decision-making processes closer to citizens, such as participatory budgeting, civic projects and petitions.

- > *Increasingly popular "Made in UA" movement alongside government focus on supporting "national cultural product" and the promotion of Ukrainian as official language*

In the aftermath of the Euromaidan, the demand for Ukrainian products has been increasing. In parallel the Ministry of Culture has been elaborating a Bill on National Culture Product promoting the creation, distribution and consumption of national cultural products. The promotion of Ukrainian language in all spheres of life feeding into the creation of a Ukrainian cultural space is also one of the main concerns.

- > *Growing role of civil society in activation of communities and promotion of participation in the field of culture*

Several grassroots and civil society initiatives and organisations have emerged in recent years and they continue to have huge impact on the development of participatory approaches of policy making as well as leadership, self-organisation and trust-building in Ukraine.

Challenges

- > *Digital technologies potential is not fully taken into account in policy development, notably for decentralisation and democratisation of cultural access*

The considerable impact that digital technologies may have on the overall country's development is not fully acknowledged by the policy-makers and institutions from central to local level. Furthermore, the country's current low cultural expenditure¹⁶ – 0.66% - is not being tackled by exploring how digital means may positively impact the cultural consumption and participation. Policy makers and cultural stakeholders still need to reflect on changes that ICT brings to the creative value chains to take the most out of these new opportunities.

- > *Slow pace of decentralisation reform due to lack of capacity at local level and risk of not integrating the CCI in local and regional development*

¹⁶ Ukraine Technical Report, and Ukraine Analytical Brief, UNESCO Culture for Development Indicators, 2017.



The reform process is taking longer than expected notably due to shortage of know-how and resources available at local level. This process requires building skills and capacity at organisational, financial and human resources level in local authorities and communities. The culture and the wider CCIs need to be given relevance in the political agendas and modernisation process.

- > *Ongoing Ukraine-Russia territorial and armed conflict in the east absorbs resources and accentuates nationalism in detriment of cultural diversity*

The conflict in Donbas and annexation of Crimea by the Russian Federation absorbs resources and attention and provokes geographical re-locations and configurations. The ongoing open conflict diverts from a steadily investment in CCIs taken as less important. The conflict emphasizes divisions and threatens the intentions to promote a democratic and cultural diverse Ukraine.

- > *Lack of trust between authorities and the independent civil society hinders the advancement of the democratisation process*

This remaining gap among authorities and citizens as well as in between state cultural institutions and the independent scene is inherited from the Soviet times. It prevents culture and creative operators from looking at the Ministry and authorities as platforms that represent their interests, able to rally the independent scene to participate in Ukraine's development.

4.2 Recognising CCIs' transversal character

The CCIs have a multiple and transversal character, that impacts economic and social development. This potential is still under-recognised in EaP countries – as well as in many other parts of the globe - at all levels, from policy makers and authorities, to society in general, including sector professionals themselves. This (proto) sector is hardly considered as an integral part of the economy partially due to weak existing evidence concerning its contribution to overall growth and quality of life. For many culture and economy represent two distinct fields without any interaction. Culture is still considered a luxury by many, an approach remaining from former Soviet tradition. It is seen as a sector with low productivity and need for resources.

It is also difficult to fully comprehend the concept of CCIs, because the sector is open and multiple, includes several different disciplines, activities and professions, that on their turn may interact and add value to many different other sectors and domains. This notion may even vary according to different regions, cultures or policies. This makes it difficult to communicate and acknowledge the nature of the sector.

Many cultural sector professionals within the sector have a hard time in identifying themselves with the CCIs agenda. Each discipline is distinct with autonomous histories and paths. Consequently, their differences are more often accepted and put forward than their common elements. Few recognise the advantages of integrating the CCIs umbrella concept that could facilitate the sector's coordination and interaction, but also allow them to speak with common voice and get more visibility. Many cultural and creative professionals see this reformulation as a drift towards commercialisation of culture field that would explore its material output or

profitability. They see this as a problematical shift as they fear the instrumentalisation of culture. According to Professor Pier Luigi Sacco¹⁷ this reaction reflects a pre-industrial culture 1.0 logic in which producers are remunerated not as part of a market transaction but rather as symbolic exchange of gifts between artist or cultural producer and patron – whether an individual or the state itself. In this context, production and access to culture is limited and conditioned by social and economic barriers.

Culture 3.0 concept by Pier Luigi Sacco (2011)¹⁸

Culture 1.0	Culture 2.0	Culture 3.0
<ul style="list-style-type: none"> • Based largely on patronage model • Typical of a pre-industrial economy • Culture is neither a proper economic sector of the economy nor it is accessible to the majority of potential audiences • Cultural production lives entirely on subsidies and could not survive otherwise 	<ul style="list-style-type: none"> • Cultural and Creative Industries, that produce economic value and are even profitable, but they represent a specific sector of the whole economy • Audiences expand significantly, whereas cultural production is still severely controlled by entrance barriers • Characterized by an explosion of the size of cultural markets 	<ul style="list-style-type: none"> • Characterized by innovations that not only cause an expansion of the demand possibilities, but mainly and expansion of the production ones • Transformation of audiences into practitioners (thereby defining a new, fuzzy and increasingly manifold notion of authorship and intellectual property)

Technological and economic development has gradually been modifying the sector’s foundations. Like many other countries, the EaP countries have witnessed the growth in jobs considered “creative” and in the increase of creative components in jobs previously considered “routine” or “mechanical”. This change has had a considerable impact on educational systems, social welfare and policy makers in working out how to develop and retain human capital. In most EaP countries the success of hi-tech outsourcing and the information technology industry has been more visible and scalable and therefore has had a bigger impact on policy makers and investors. Unfortunately the CCIs have mostly remained in the shadows of this technological boom.

The culture sector needs new, dynamic organisational or business models in this transition, even when profit is not the final goal or purpose. Pier Luigi Sacco recalls that the culture sector’s non-material output – in welfare, sustainability, innovation, local identity and social cohesion need to be given appropriate attention. However, the traditional culture sector often resists this change of logic. Even for many of the sector’s entrepreneurs and companies for whom profit making is consensual and one of the goals, e.g. music, audiovisual, media, ICT, design and architecture, CCIs

¹⁷ “Culture 3.0: A new perspective for the EU 2014-2020 Structural Funds Programming”, April 2011, European Expert Network on Culture, Brussels.

¹⁸ Pier Luigi Sacco, 2011. “Culture 3.0: A new perspective for the EU 2014-2020 structural funds programming.” European Expert Network on Culture Paper, April 2011. <http://www.interarts.net/descargas/interarts2577.pdf>



are still a “strange” agenda, that they do not take as their own nor see benefits of belonging to.

The sector’s different disciplines still mostly work in silos in a competitive and not very collaboratively. Collective organisation (meaning informal alliances and platforms, umbrella organisations and other sectorial associations) is still in an early phase or weak and professionals lack coordinated action and shared agendas. The sector lacks a joint voice that could advocate its role and lobby for its interests. Formerly prestigious and powerful trade unions of the Soviet era that spoke on behalf of different artistic and cultural disciplines and professions still function, but most of them seem not to respond to the sector’s current needs and concerns, even though some have been reorganised in order to attract new generations. The current market economy brings new values and dynamics and a silo mentality does not allow most of these structures to open up and embrace them. The institutionalised cultural sector is fearful of losing its status and privileges and the atomised independent cultural and creative sector had a fast transition to market economy, which did not develop into stronger and collective structures. Therefore neither have recognised the role and full potential of CCIs as a unifying concept. The sector still concentrates on the “I” - individually focusing in pursuing projects in competitive manner - not on the more collaborative mode of the “We”.

CCIs’ transversal and cross-sectorial potential notably for economic growth and job creation is still not evident for many. There is a lack of data to back up the arguments and convince stakeholders. New methods to collect and measure both quantitative and qualitative data-sets are needed to give new insights into the potential impact of the sector that goes well beyond figures. The current new economic framework requires new indicators. The crossover character of CCIs that adds value to other sectors, its indirect and invisible impacts, calls for cross-sectorial and cross-disciplinary analysis that may shed new light onto this phenomenon. In most EaP countries the process of developing UNESCO Culture for Development Indicators (CDIS) is under way. Armenia, Azerbaijan, Georgia, and Ukraine have developed the CDIS with the support of the EU-EaP Culture and Creativity Programme - as well as Moldova.¹⁹ This framework is an excellent practice, that allows countries to establish basic indicators to map the place of culture in the economy and society and provides a baseline for discussion and policy development at a national and international level.

The transversal dimension of CCIs is difficult to address since it implies a radical change in the way national governments, regional or city councils and institutions are organised and how they function. The strict division into policy areas without common or coordinated actions or budgets is not the most efficient way to establish and implement successful policies in culture and creative industries. Current access and use of digital technology have blurred the distinction between producers and users. Production now incorporates user-driven inputs, so there is an equal need to develop schemes and communication that allow citizens to actively participate in policy-making.

A change of views and in practice is therefore needed in relation to research and innovation in order to recognise the sector’s capacity to impact the economy.

¹⁹ In addition, in Moldova a recently study has also contributed to measure the CCI sector economic impact validating its potential. “Assisting Moldova’s Competitiveness Champions: Selecting Two Further Industries”, USAID Moldova, 2016.

Innovation is currently seen merely as technologically-driven and within the context of production, there is a need to consider the potential of non-technological innovation. Artistic and cultural processes are also research-anchored, creating specific knowledge, which demands long-term investment. The sector has great potential for its capacity to engage and give expression to users/audiences, to change organisations, but also to manage and generate new value from knowledge. Research and technology might well develop new ideas and products, but cultural processes test, check and socialise new technology.

Launching specific CCIs policies to use their potential effectively are still at an early phase. Tourism acknowledges the distinctive role of culture but favours connections between the ministries of culture and economy and not with a broader CCIs perspective. CCIs policies are issued often by one stakeholder, mostly the Ministry of Culture, but this sector requires jointly designed and implemented programmes and tools that cover more policy areas. A wider perspective should be taken into consideration when designing CCIs policies, programmes and tools and more stakeholders should be involved and targeted.

In many EaP countries there are inter-ministerial working groups that discuss and divide CCIs roles. To be effective and gather adequate resources, different policy areas and respective budgets could be channelled to convey a joint national strategy for CCIs spanning the economy, enterprise, research, technology and innovation, education, regional and urban development. It may be useful to create specific and independent cross-ministerial task forces to coordinate and develop CCIs which also include the private sector/businesses and professionals (cultural institutions, NGOs and entrepreneurs). These task forces could ensure interaction and synergy. They could also represent the sector within the policy-making process, promote research and monitor and evaluate policies.

4.2.1 International examples

Centre of Excellence for CCIs in Germany

- > *The **Centre of Excellence for Cultural and Creative Industries**²⁰ was created in 2007 by a decision of the German Parliament and resulting from a cross-ministry initiative, i.e.: The Federal Ministry for Economic Affairs and Energy and the Federal Government's Commissioner for Culture and Media. It functions as a Berlin-based intermediary, advocate and matchmaker that informs, supports and builds trust between policy makers and multipliers, CCIs, academia and other industries. It provides a broad range of services and expertise focused on CCIs professionalisation and capacity-building (notably promoting entrepreneurial skills), cooperation between CCIs and other sectors, research of relevant trends and developments and offering CCIs professionals a neutral platform for networking.*

For more examples, see *Creative Industries Council*²¹ (UK) and *Brainport Eindhoven*²² (The Netherlands)

²⁰ <http://kreativ-bund.de>

²¹ <https://www.gov.uk/government/groups/creative-industries-council>

²² <http://www.brainport.nl/>

4.2.2 Opportunities in Ukraine

- > *Development of CCIs is among the priority goals of the "Long-term National Culture Strategy 2025". The Ministry of Culture has established the Department of Cultural and Creative Industries in 2016.*

The participatory process that led to the drafting of the National Culture Strategy 2025 included stakeholders from diverse culture and creative sectors and the whole document puts forward a wider concept of culture that includes CCIs as a priority goal. Moreover, the Ministry of Culture created a new department dedicated to the CCIs. However, these developments have not led to much further consequences, notably due to lack of sufficient legal framework and follow-up initiatives.

- > *Cinema development is one of the priorities within the framework of promotion of national cultural products.*

The government recognises the special role of cinema in Ukraine and legislation is being adapted accordingly to the National Culture Product bill, since it links directly with Ukrainian language promotion goals. After setting up of the State Film Agency in 2010 to monitor and develop the industry, further developments have included creation of the Motion Picture Association of Ukraine, a more contemporary membership association, and development of industrial component within the Odessa International Film Festival.

- > *Recent establishment of National Book Institute to support the sector's growth.*

The National Book Institute is a new state body that aims to support and promote Ukraine's commercial publishing sector through various initiatives, including stands at major international book fairs.

- > *Ongoing decentralisation offers a setting for local authorities to invest into cultural and creative sectors.*

The ongoing decentralisation process may empower local authorities to strengthen cultural and creative competences and define a strategic role for this sector in their territorial development plans. It may give cities a necessary autonomy to invest in CCIs as a way to retain and attract talent and investors via creation of high-value jobs as well as to develop tourism by upgrading their image and offer. Furthermore, the decentralisation process may build on pilot projects that have been setting the way for mapping and developing CCIs policies in smaller towns and regions. It is the case of former COMUS project (Council of Europe) in 2015-2017, that took place in the cities of Lutsk, Pryluky and Zhovkva to develop a model of development using culture; and finally, the pilot project of the EaP Culture & Creativity Programme for Creative Towns and Regions Initiative for which Kosiv was been selected as the pilot case.

- > *UNESCO Culture for Development Indicators reveal a relevant contribution of CCIs to economic growth and social development in Ukraine.*

A process of applying the UNESCO methodology of culture for development indicators was carried out in Ukraine in 2016-2017. This work revealed figures²³ relating to 2014, demonstrating that CCIs contributed to 4.04% to the national GDP and that cultural employment corresponds to 3.17% of total employment. These figures are close to EU standards. This relevant process will allow gathering further and continued evidence for the actual impact of the sector in Ukraine and establish an international comparative framework for permanent monitoring of the sector performance and impacts. This structure is crucial to inform policy-making and bring out evidence and arguments for the sector development.

4.2.3 Challenges in Ukraine

- > *CCIs are officially not perceived as priority area for the country's overall development. National culture product bill needs to be integrated into wider creative economy plan.*

Ukrainian modernisation process lacks a solid CCIs vision and transversal strategy within the whole government agenda. The Mid-term Action Plan of the Cabinet of Ministry until 2020 does not include any goal connected with CCIs development. The development of new law for promotion and access to the “national cultural product” is a main concern, yet it is crucial to integrate it in a wider and open creative economy vision. While Ukrainian authorities are gradually integrating CCIs into their policy discourse, it has not yet translated into policy agenda nor concrete action plans since a narrow concept of culture still prevails - among policy-makers, business and investors, media and general public.

- > *Lack of cooperation between central and local authorities in the field of culture.*

Decentralisation and overall reforms are proceeding at a slower pace than initially planned. A lack of a shared agenda in the local cultural sector as well as insufficient coordination between the central and local authorities have limited the establishment of stronger CCIs agendas at the local level.

- > *Discontinued policy initiatives regarding audiovisual and cinema development.*

Cinema development, though a national goal, has been hindered due to many changes at governmental level and the incapacity of the state to channel adequate funding for film production. Furthermore, as Ukraine was after Russia the biggest film producer in Soviet times, some legacies endure without a clear regeneration strategy, such as the Dovzhenko national studios and the Union of Cinema Workers (that keeps up high membership figures).

- > *Lack of synergies between ICT and wider creative communities.*

Existing resources in the field of ICT, most notably booming IT and advertising fields, have not been sufficiently linked with larger CCIs community. State investment in ICT sector has not been accompanied with parallel support to CCIs to promote joint research and collaborations. Existing ICT community dynamics regarding structures and events are not connecting nor interacting with creative community.

²³ UNESCO Culture for Development Indicators, Ukraine's Technical Report 2017, <https://www.culturepartnership.eu/en/article/cdis-ukraine>

4.3 Setting up participatory policies and platforms

The ecosystem approach of CCIs brings a larger step that is fundamental for EaP countries. That is bridging the gap between public authorities and citizens. The mutual lack of trust hinders the development of a civic and participatory culture. In order to allow CCIs to thrive and unleash its crossover potential, diverse stakeholders need to contribute and interact. All have a role to play in this shared responsibility agenda: State and regional/local authorities; businesses and private sector; and civil society.

Top-down one-sided state policy and action is insufficient to trigger innovation and creativity *per se*. Equally the sector's common reaction "let us do our own business alone" is not enough either. While there are few good examples in the EaP countries, there is still a long way in order to build a participatory culture that is not simply based on one-off events. Participatory discussions and open consultation are essential but they should lead to concrete action plans and implementation (even if partial and/or dependent on further political negotiations). This approach includes policy discussions and formulation, but also its consequent shared implementation, monitoring and evaluation, preferably through effective public private partnerships (PPPs) that are not yet common or even regulated in this sector in most countries. To nurture such a culture entails a long-term investment as it involves a change of mind-set and practice. It is about building up and upholding processes, much beyond their mere results.

New platforms and alliances are needed to open new channels among diverse stakeholders. Formal or informal, databases, web platforms or clusters, and joint structures are crucial to showcase, mediate and promote mutual acknowledgement and activate collaborations and linkages. These platforms may constitute the sector's collective and legitimate voice to represent and engage in dialogue with the authorities. The CCIs sector in EaP countries lacks these intermediary organisations bringing together state/public authorities, artists/creatives and citizens/users. Cluster initiatives for instance may gather all those that are or might be interested in this field, including education, training and research; urban planning and development authorities; to users and audiences.

It is essential for the CCIs sector to promote and network, to join forces and build partnerships for their field and for business development, and also to have a clearer voice and better political representation. Creative hubs play also an important role in community development. This is particularly relevant for EaP countries, where a lack of trust is still prevalent. National funding programmes that create networks and clusters and establish creative hubs could help develop a culture of active engagement and participation.

Mappings and public consultations at national, regional and local level should become standard practice by CCIs in order to identify resources as well as discuss and define policy-making initiatives. They can also run online consultations, working groups and public hearings. Mappings and participatory budgeting can be a good testing ground to activate civic participation. Participatory budgets, for instance, are being implemented throughout Europe at diverse political levels including in some EaP cities and it is an instrument that can contribute to activate citizenship, regional ownership, policy-making ownership and increase trust.

4.3.1 International examples

Norwegian Innovation Clusters²⁴

- > *In the early 2000s the Norwegian cluster programme was founded on the premises that enterprises that collaborate are more innovative, productive and competitive. This financial scheme encourages bottom up shared initiatives by co-funding their collaborations and undertakings. Annual open calls provide up to three years of support based on business plans. The cluster resources, potential for growth and position in the industry are just as important as whether the initiative is participatory, the leadership share a common interest and whether the cluster project has common ownership. It funds clusters on three levels of development: (1) emergent, (2) mature with a national market presence, and (3) mature with an international market presence.*

For more examples, see more: Participatory Budgeting Portugal²⁵ and Culture Map Valletta²⁶

4.3.2 Opportunities in Ukraine

- > *Bottom up participatory process of developing a national long-term culture policy – Culture 2025 spanned the wide CCIs community.*

The cultural strategy development process might be considered a good initiative in regards of stakeholder involvement. It gathered more than 600 stakeholders from the sector and government representatives in regional and sectorial meetings across the country. Main outcomes include a strategy document; alliance among culture sector stakeholders to advocate for the strategy; implemented competition procedure to select directors of state cultural institutions; and a preliminary agreement with Ministry about the strategy implementation.

- > *Emergence of professional platforms that promote engagement via CCIs.*

Last years have seen the emergence of various cases of collective organisation and platforms among diverse CCIs professionals in view of promoting and developing the capacity of citizens to engage and intervene in social life via culture and creativity.

Local example: Kyiv Smart City Hub²⁷

New digital technologies can also contribute to support active civic participation. Kyiv Smart City unites businesses, activists and city authorities to develop city infrastructure based on open data principles and transparent management. It introduced participatory budgeting within the city administration.

Local example: VUM-online²⁸

It is a participatory digital platform focused on improving civic skills. It provides short

²⁴ <http://www.innovationclusters.no>

²⁵ <https://opp.gov.pt>

²⁶ <https://www.culturemapmalta.com/>

²⁷ <http://www.kyivsmartcity.com>

²⁸ <https://vumonline.ua/>

courses covering social enterprises, storytelling, critical and creative thinking, and strategic planning.

Local example: Congress of Cultural Activists²⁹

NGO that integrates creative, educated, and politically aware who wish to increase cross cultural collaboration on a global scale, and to encourage activism as a method to create change and move societies forward. It is committed to intensify the dialogue and cooperation between Ukrainian regions, to integrate culture in national social and economic development strategies, and to include culture as a priority area of cooperation with other countries. Key activities are: development of urban communities, art-mobility and art-residences, active citizenship and creative industries.

Local example: Dyvovyzhni³⁰

It is a grassroots NGO that works on activation of local communities in a framework of social responsibility. Through urban interventions (such as clean up events, art installations, repairmen and improvement of public places) and educational activities, it encourages constructive civic engagement and active citizenship.

Local example: Teple Misto³¹

Based in Ivano-Frankivsk, it is platform for civic activists involved in social entrepreneurship and urban development. Having started by opening a restaurant 'Urban Space 100' (all profit goes for supporting local civic projects), they are now being approached by NGOs from across Ukraine to develop similar social enterprises and community-rooted initiatives in other cities across the country.

4.3.3 Challenges in Ukraine

- > *Lack of communication among the wider CCIs community hindering clear representation and advocacy.*

Despite interesting cases of joint platforms, efficient channels of communication and interaction among the diverse sector stakeholders are still missing. Therefore the sector lacks a joint representation and clear advocacy strategy to connect and deal with authorities and the overall society. This difficulty is also due to big dimension of the country.

- > *Culture 2025 policy participatory process failed to establish permanent channel of communication and working cooperation structures between CCIs and authorities.*

This participatory process did not become a long-term basis for further policy implementation and discussion due to unclear participation of Ministry of Culture. Policy in the field of culture remains in a state of instability due to divergent opinions and frequent governmental changes that did not allow building necessary mutual trust nor implement and institutionalise processes such as the Culture 2025 and intended reforms.

²⁹ <http://www.culturalactivism.org/>

³⁰ <http://dyvovyzhni.org/>

³¹ <http://www.urbanspace500.com.ua/> and <http://www.warm.if.ua/>

4.4 Building on emerging creative hubs

Several new IT and creative hotspots, or “creative hubs”, have been emerging throughout the EaP countries as well as in the rest of Europe in response to the current needs of the sector. It is still a recent phenomenon in some EaP countries and the majority of them are private initiatives with little or no support from public authorities. These hubs serve and showcase the dynamic entrepreneurial spirit of the creative and business communities following global trends.

Creative hubs have different shapes and set-ups. Most are physical spaces – but can also be digital platforms and virtual networks – and may incorporate co-working spaces, incubators or accelerators, fablabs or city labs, but above all they personify a new community. In many cities, they start to occupy abandoned buildings in the centre, in derelict spaces or in former/actual industrial sites and neighbourhoods. While inhabiting and gradually renovating them, they bring forgotten parts of towns back to life and contribute to land and urban development. These are places for working, meeting, learning and interacting; where knowledge is shared and transferred. Creative hubs assume different functions and offer various products and services: Work locations and offices; master classes and workshops; mentoring and coaching; business clubs; matching events, hackathons, etc. Above all, hubs facilitate project and business development and build communities.

These new work locations contribute to blurring lines between disciplines and hierarchies. While creative professionals come together to meet, discuss, create and perform across cultures, disciplines, languages and profiles, more attention is given to experimentation and methodology. Interaction in hubs stimulates artists and creative professionals used to focussing on their own individuality to associate and collaborate with the rest of the creative community and beyond. This interest in organising collectively is a matter of survival in this ever-changing competitive environment. Sharing know-how and resources within common spaces diminishes skill gaps. Creative hubs are new venues or organisations for the sector, as they are versatile and flexible places that experiment and interact. Public cultural institutions in EaP countries often do not provide favourable conditions for private operators to use their venues, their facilities are expensive to use/rent, thus their potential and facilities are under-used. This region is highly equipped with theatres, opera houses, museums, film studios but many of them are not facing the challenges that new opportunities pose.

Many hubs are ICT based or ICT dominant, but CCIs are also part of these ecosystems. Fewer hubs are orientated on art, or invest in projects that might not necessarily be profit making - but sustainable; other hubs have social entrepreneurship as a main focus, promoting projects and businesses that focus on cohesion and inclusiveness; and some hubs are labs that provide cities with solutions to their challenges.

In EaP countries most creative hubs have been established from the bottom-up, while in some European countries creative hubs came out of a top-down institutional initiative. The latter have led in many cases to brand new spaces that take a long time to populate. Many hubs may be vibrant and crowded, but they are also fragile. The maintenance bills are high and sustainability is hard to achieve; teams and activities are a constantly struggling to keep up; hub managers often lack all the necessary skills to deal with businesses in this specific sector; many miss connections to other similar hubs in the same city or country; to other regional

stakeholders – schools, policy makers, investors, industry, and to international peers.

Creative hubs can make significant contributions to CCIs business development, community strengthening and urban renovation. Creative hubs can revitalise neighbourhoods and under-developed city quarters. It is a good investment to allow access to empty or non-used spaces and venues for CCIs. Free or low-costs rents and simplified procedures can support many new initiatives. Supporting teams and operations in the initial years and integrating them into wider city/region and sector development plans can provide an impetus towards their structural sustainability and take them to new heights. As new stakeholders, hubs can build on their achievements and social capital and become the basis for the development of potential Public-Private Partnerships (PPPs), which have yet to have a legal basis in some EaP countries

4.4.1 International examples

IncrediBOL!³² (Italy)

- > *IncrediBOL! was born in 2010 as a city of Bologna pilot project, to provide tools to develop entrepreneurship in the CCIs. Today it is a well-established network with diverse partners and works across the Emilia-Romagna region. It started to issue annual public calls for creative entrepreneurs offering small cash contributions, space free of loans and advisory services, training and promotion. Proposals were matched with city locations - often closed or empty municipal spaces. Creativity has proven as a key factor to redevelop the city and contribute to its economic regeneration. As a result, recently a new “micro-requalification” programme was launched to redevelop public spaces through art and creative interventions.*

For more examples, see Subtopia³³ (Sweden), Telliskivi Creative City³⁴ (Estonia), Nova Iskra³⁵ (Serbia) and Poligon³⁶ (Slovenia)

4.4.2 Opportunities in Ukraine

- > *Booming scene of emerging creative hubs and related projects throughout the country responding to actual needs of entrepreneurs.*

Almost every regional capital has witnessed the establishment of co-working spaces, hubs and anti-cafes. Kyiv, Kharkiv, Lviv, Dnepropetrovsk, Odessa – and Donetsk prior to the war - are still taking the lead. These centres offer diverse facilities that nurture existing business and creative ecosystems and form social capital. The quality and professionalism of these hubs management is growing along with the quantity. Most of the hubs are open to all type of businesses, though IT is predominant; some are CCIs or even art focused. Mostly they are bottom up initiatives and many achieve sustainable business models, based on the rental of space for workspaces, conference and meetings, and organization of events.

³² <http://www.incredibol.net/>

³³ <http://www.subtopia.se/>

³⁴ <http://telliskivi.eu>

³⁵ <http://novaiskra.com/>

³⁶ <http://www.poligon.si/>

Local examples:

Kyiv

- > **Chasopys**³⁷ - It was one of the first creative co-working spaces in Kyiv founded in 2012.
- > **Platforma Art Zavod**³⁸ and Coworking Platforma Art Zavod and Leonardo³⁹ - Former silk mill on Kyiv's left bank transformed into a creative cluster and ecosystem uniting business, festivals, co-working, art, information technologies, fashion and education. The business-community gathers more than 300 startups and innovative projects. In addition, to co-working Platforma Art Zavod, recently a new co-working space was added right in the centre of Kyiv (Leonardo).
- > **UNIT City**⁴⁰ - Large-scale innovation park expected to become the country's focus for creative economy (total area of 25 hectares). It recently opened a 4000 m² area to support startups and facilitate collaboration between businesses and academia. Targets companies that work in the areas of high technology, creative ideas and innovative businesses. It includes business campuses, UNIT.Factory (free programming school), sports complex and cultural, medical and entertainment facilities. It has just announced the UNIT.City Art Prize – international competition to support the development of projects at the intersection of technology and art.
- > **Izone - Izolyatsiya Platform for Cultural Initiatives**⁴¹ - Founded in Donetsk in 2010 and relocated to Kyiv in 2014 after the military occupation of its premises. The foundation carries out projects in Kyiv, in Eastern Ukraine and abroad within three intertwined directions of activity: art, education, and projects geared at activating Ukraine's creative sector. Izone⁴² is the creative community centre, providing a working environment with a focus on the creative process of research and production and multidisciplinary. It includes multifunctional spaces, gallery, co-working and makers spaces, production studios and laboratories.

Lviv

- > **Jam Factory**⁴³ (project) - An early 20th-century spirits plant is being turned into an art cluster.
- > **Pawillion interaction space**⁴⁴ (project) - Project in fund raising process, to be located in an abandoned building which housed craft unions (former Wystawy Krajowej Pavilion) in Stryi Park in the centre of the city.
- > **iHub Lviv**⁴⁵

³⁷ <http://www.chasopys.ua/>

³⁸ <http://artzavodplatforma.com/>

³⁹ <https://www.coworkingplatforma.com/>

⁴⁰ <http://unit.city/>

⁴¹ <https://izolyatsia.org/>

⁴² <https://izone.ua/>

⁴³ <http://urbancurators.com.ua/PROEKTI-PROJECTS/FABRIKA-POVIDLA-JAM-FACTORY>

⁴⁴ <http://pawillion.com/>

⁴⁵ <http://ihub.world/ua/lviv-ua/>

Odessa

- > **Impact Hub**⁴⁶ - Member of the international Impact Hub Network, this is a community centre, a co-working and event space, a conference hall and a fab lab all under the same roof. Hosts business accelerator for manufacturers of apparel, footwear and accessories. The goal is to help local designers and manufacturers to enter the markets of Ukraine and the EU.

Dnepropetrovsk

- > **I Co-Working Hub**⁴⁷ - Started with an investment fund model and incubator, and then moved toward a resident co-working space offering relevant events and services.

Kharkiv

- > **Novoe Mesto**⁴⁸
- > **Spalah**⁴⁹ - Shared co-working space incorporating an education hub.

4.4.3 Challenges in Ukraine

- > *Fragmentation of existing creative hubs community.*

The myriad of bottom up initiatives throughout Ukraine remains atomised lacking a joint strategy, notably at the level of communication and advocacy. Most of these hubs struggle with increasingly higher rents (in big cities) and lack of collaboration with authorities. There are attempts to link and realise joint projects, for example the “Coworking Friendly” initiative that allowed for free mobility of co-workers among a group of co-working spaces in Ukraine.

- > *Lack of support for the creative community to access and make use of new spaces.*

Policy makers, particularly at local level, have not acknowledged the need for new venues and the capacity of the creative community to regenerate city areas. Therefore operators face difficulties in accessing spaces to work, perform and showcase due to financial and administrative barriers.

- > *Cultural institutions require new management and business models, in order to serve as focal points for experimentation and showcasing.*

Cultural institutions often operate in out of date management models, missing a contemporary evidence based management that includes efficient planning and programming, including fundraising, but also new relationship with audiences/users as well as with the overall creative community.

⁴⁶ <https://impacthub.odessa.ua/>

⁴⁷ <https://icoworkinghub.com/>

⁴⁸ <http://novoemesto.strikingly.com/>

⁴⁹ <https://spalah.com/>

4.5 Easing access to specific funding and support

Many European countries recognise the challenge of the complicated access to finance for CCI's resulting from their specific nature and value.⁵⁰ The main obstacles are: the small size of most creative organisations, their predominantly intangible assets, their sources of revenue, their reliance on intellectual property rights as a driver for growth, their weak managerial skills and their lack of knowledge of and contacts in the business world.

European public business development services and private investors, from banks to business angels, are not familiar with CCI's operational and business models. CCI's do not qualify to loans for certain SME's funding programmes and schemes often because they lack guarantees. CCI's face similar problems in accessing finance in EaP countries. The difficult and limited access to finance, poor infrastructure, unfriendly legislation, weak incentives in developing a charitable culture, etc. mean they are not considered favourable business partners.

Public funding of independent culture (NGOs) needs greater clarity and better criteria in relation to the transparency of selection processes, regularity of support and sustainable development. State support for SMEs does not consider CCI's specific nature and therefore needs further diversification, especially in relation to accommodating their micro-dimension. Local operators have little access to international co-productions and partnerships, because they often lack sufficient matching funds and adequate regulatory framework by the state. There are currently no incentives or tax deductions for private donations and sponsorship to CCI's. Intellectual property rights (IPR) protection laws are often neglected due to a lack of awareness among professionals or monitoring agencies. Restrictive regulations for online and offline trade and export also hamper business internationally.

The fund-raising skill in most of the sector operators is weak, especially for international grants. CCI's need more information, contacts and networking to identify and test the right partners, as well as resources to invest in long-term planning requirements. Some alternative and interesting funding endeavours are being developed by entrepreneurs, e.g. crowdfunding platforms, but structural improvement is needed in public systems and legislation to ease access and diversify funding alternatives for the sector.

4.5.1 International examples

PMV - Cultuurinvest⁵¹ and STARTS – Investment Fund for Cultural Enterprises⁵² (Belgium)

- > *Two regional funds promoted respectively, by the Flemish Government – PMV - Cultuurinvest; and by the Walloon Government – STARTS. Both schemes provide specialised loans and equity investments to the diverse phases of business development, accompanied by coaching and advice to enterprises (SMEs) as well as not for profit organisations in the CCI's.*

⁵⁰ The OMC working Group of EU member-states report "Towards more efficient financial ecosystems" has described this main issue and compiled a set of best practices.

⁵¹ <http://www.pmv.eu/nl/financiering-voor-ondernemers/leningen/cultuurinvest>

⁵² <http://www.start-invest.be>

For more examples, see *AWS VINCI Vouchers in Creative Industry*⁵³ (Austria) and *National Lottery*⁵⁴ (UK)

4.5.2 Opportunities in Ukraine

- > *Recent establishment of the Ukrainian Cultural Fund introducing a new competitive funding system.*

This recently created fund aims to provide grants for culture operators within a new independent and competitive system. The Fund has an Advisory Board that includes representatives from culture associations as well as from institutions. It is expected that new opportunities will rise for extending support to wider CCIs stakeholders.

- > *Emergence of bottom up fundraising initiatives to develop social and creative innovation and entrepreneurship.*

Several initiatives of fundraising, particularly making use of crowdfunding campaigns, have successfully managed to support cultural and social projects, charities, and socially responsible businesses. These platforms are allowing small-scale CCIs projects to access alternative sources of funding and simultaneously linking creators and producers to users. Campaigns are also revealing that the public is ready and willing to contribute via internet to projects when meaningful to them. Though these tools have been successful for small scale projects only, they can be useful as complementary sources of funding while testing and adapting ideas with users.

Local example: Spilnocosht on Big Idea⁵⁵

Garage Gang NGO has launched in 2012 one of the first online crowdfunding mechanisms in Ukraine: Spilnocosht on Big Idea. It emerged out of need to support creative, media and educational initiatives, and develops in order to fund innovations in IT, renewable energy and social entrepreneurship. Preselected projects get possibility to place their initiative on the online platform and communicate it with wide circle of audience to attract resources. The platform provides consultation and prospective to proposals, helping promoters how to present clearly their ideas to the potential donors.

- > *Improvement of conditions for film making, including a tax code for the national film industry (2015).*

While funding allocation is since 2010 the responsibility of the State Film Agency, overall conditions for film making have also improved with the establishment of a tax code for the national film industry, including production and exhibition.

- > *Booming ICT start-up scene has been acting as trailblazer to gradually push the facilitation of legal procedures regarding business development.*

Following up successful start-up scene, notably in IT and digital advertising, starting a business is getting faster with less bureaucracy; and access to seed funding became easier due to higher availability of interested investors and business angels.

⁵³ <https://www.aws.at/foerderungen-1/vinci-voucher-in-creative-industries/>

⁵⁴ <http://www.lottery.culture.gov.uk/>

⁵⁵ <https://biggggidea.com/projects/>

The emerging support structures are also contributing to help entrepreneurs access resources.

- > *Establishment of law for public broadcasting and promotion of conditions for transparency of media ownership (2015).*

Adopted in 2015, the new law on broadcasting has allowed the conditions for creation of public broadcasting and building up of necessary structures, ensuring transparency of media ownership and the protection of professional activities.

4.5.3 Challenges in Ukraine

- > *Lack of public incentives and supportive legal framework to promote business development in the CCI as well as make sponsorship and investments more attractive.*

Despite advancements linked to start-up scene, developing creative enterprises are hindered by the costly and burdensome registration procedures and entry barriers, as well as complexity of tax and regulations systems. It is due to their small size and lack of adaptability of support systems and legal frameworks to CCI specificities. Also, Ukraine lacks tax benefits which would encourage businesses to sponsor cultural and creative sectors as part of their CSR strategies.

- > *Lack of specialized support services and alternative funding sources to creative enterprises.*

Creative entrepreneurs lack specific funding tools such as grants, accessible credits and loan guarantees, seed-funding, and other tax incentives. The government support for SMEs, notably via loans from the State bank “Oschadbank”, is not adapted to CCI needs and profile. Existing business angels and venture capital funds are not aware of investment opportunities in the cultural and creative sectors. The sector lacks specialised information focal points able to advice on opportunities and issues such as copyright and funding opportunities.

- > *Foreign films dominate the screens in Ukraine, while local productions are hardly to be seen in Ukrainian cinemas.*

Around 95% of what is distributed and shown in Ukrainian cinemas is from foreign origin, while only a small percentage of local productions make it to the screens at home market.

- > *Deficient copyright awareness and management.*

Ukraine's legal framework meets EU copyright standards but several copyright and other intellectual property rights constraints remain. National institutions for intellectual property are mostly orientated towards industrial processes. The distribution of cultural products and services needs more monitoring and information on copyright issues; collective management should improve accountability; and cultural professionals need to be more aware of their rights.

- > *Lack of transparency and diversity in the media industry.*

Despite existing law on transparency of media outlets ownership from 2015, many mass media outlets did not reveal their ownership structures and their sources of



funding remain unknown. Control of TV channels by oligarchs and consequent absence of diversity of political views remains a problem in the broadcasting industry.

> *Scope of sanctions against Russian contents and media professionals are considered too restrictive.*

Due to the ongoing war, several legal measures have been taken to protect Ukrainian information broadcasting space, countering Russian propaganda as well as raising sanctions on Russian media professionals and outlets. Furthermore, sanctions were raised against TV/radio companies that broadcast Russian films and serials banned in Ukraine. The State Film Agency does not issue broadcasting certificates for Russian films with military content subject to the ban. Professionals from media and culture fields, mostly from Russia, have already been denied entry to Ukraine under the same principle. Several of these measures have been considered too restrictive by international organisations.

4.6 Improving creative entrepreneurial education and skills

In view of the emergence of a new economic paradigm means educational and training institutions from schools to universities need to open up and connect more with regions and communities. Educational institutions need new approaches in how to design and conduct academic and vocational education that is more practical, resilient and entrepreneurial. Embracing the approach of lifelong learning would offer this. Many universities in EaP countries are prestigious for their technical quality notably in film, performing arts and music. However technical or artistic skills are not enough for young professionals to thrive, develop projects and start enterprises in the global market. Moreover, creativity and innovation are now being recognised as essential skills in other professions. All levels of education therefore need to integrate culture and creativity into their courses and develop creative skills and thinking and cultural practice and participation from early childhood. Lifelong learning needs to be promoted and teaching standards improved for pre-school to higher education, formal and non-formal institutions.

CCIS have also been impacted by the growth in digital media, globalisation, cross-border and cross-cultural collaboration. This creates a need for strategic and relational skills that deal with working in plural and multi-layered markets. Creative professionals need strategic, management and communications skills. Strategic skills rationalise the ways projects, businesses and careers are conceived and managed. A professional today has to be a creator, a manager, a researcher, a public relations specialist and a polyglot. All creatives need skills in how to negotiate, lead and discuss ideas, objectives and plans with partners. The need for continuous training increase in this more demanding and competitive market. Professionals have to be permanently on top of their game otherwise they risk losing contracts, schedules, deadlines, contacts and partners. Time management is fundamental especially when joint research and reflection are needed for a project, which is under pressure to produce outputs. Professionals have to reinforce their communication skills to overcome the obstacles caused by a lack of time, trust and mutual knowledge in non-hierarchical, multilingual and multi-sectorial temporary teams.

There are several examples of alternative educational and training projects and initiatives in EaP countries that fill the gaps and respond to these new needs. They

are run by NGOs and established educational and cultural institutions. The challenge consists of how to integrate these new learning methods into the educational and training systems' official mainstream offer and how to engage different stakeholders to take up active roles in this development.

4.6.1 International examples

Escalator - Creative Industry Kosice⁵⁶ (Slovakia)

- > *Escalator is an intensive programme of training and development of creativity, talent and professionalisation for those working in the creative field, individuals or enterprises/groups promoted by Creative Industry Kosice. Initially participants identify their needs and define their objectives through interviews with foreign mentors. This forms the basis of a "tailor-made" training and support programme of workshops, seminars, coaching, mentoring, business and strategic planning, research and development, study tours and pilot implementation.*

For more examples, see OTELO regional network of youth creative centres⁵⁷ (Austria), Creative Partnerships⁵⁸ (Lithuania), Royal College of Art Innovation⁵⁹ (UK) and Tallinn University of Technology - Innovation and Business Centre Mektory⁶⁰ (Estonia)

4.6.2 Opportunities in Ukraine

- > *Emergence of grassroots open platforms to promote informal learning and skills development.*

Mostly bottom-up initiatives without support from authorities, diverse open platforms and informal schools, are filling in gaps in formal education and training systems. These initiatives cover topics not sufficiently present in traditional curricula, e.g. urbanism, civic engagement and action, arts and humanities, cultural management, design, but also within learning formats and methodologies that break traditional system. Often they introduce critical and creative thinking methods as well as individual mentoring and tutoring, in opposition with generic and hierarchical traditional model.

- > *Emerging CCl and management curricula being proposed by higher education institutions, notably in business schools.*

Some higher education institutions, notably business schools, are starting to include in their offer management post-graduate courses dedicated for arts and culture managers or arts and creativity skills development into their overall management and innovation programmes.

- > *Creation of education centre for fashion following the success of Mercedes-Benz Kiev Fashion Days.*

⁵⁶ <http://cike.sk/en/project/escalator>

⁵⁷ <http://www.otelo.or.at/>

⁵⁸ <http://www.kurybinespartnerystes.lt/>

⁵⁹ <https://www.rca.ac.uk/research-innovation/innovationrca/>

⁶⁰ <https://www.ttu.ee/mektory-eng>

The Kiev Fashion Institute is the first educational project in the field of fashion industry. It was formed on the basis of the experience of single lectures held at the Mercedes-Benz Kiev Fashion Days. It involves local and international fashion business practitioners in its educational programmes covering areas such as management, business, photography and styling. State universities do not offer tutors nor allow students direct contact with industry specialists, which would be very much needed in a field that has been growing rapidly.

Local example: Projector⁶¹

Platform that acts as a school for design and development, workplace and a community that helps diverse professionals to develop skills in interface and graphic design, front-end, project-management, internet marketing, English, among other domains. It is active in Kyiv, Lviv and Odessa.

Local example: Creative Management Camp⁶²

It is an informal education initiative established by specialists in event management. The programme aims to teach young entrepreneurs how to build their projects and check their viability. It consists of 10 modules covering the different stages of creating a cultural product: from the idea and first insights to the business plan and presentation. During the course, participants receive regular intensive feedback from mentors, management consultants and cultural leaders.

Local example: Cultural Project⁶³

Popular educational initiative that has quickly progressed to more elaborated cycles of masterclasses and workshops for the general public but also professionals, to raise understanding and discussion on art and culture. Since 2015 it has permanent premises in Kyiv, the venue Education Station 31B1.

Local example: School of Urban Studies - CANactions⁶⁴

It is an experimental educational platform based in Kyiv. The programmes are based on the exploration of Ukrainian cities, identifying concepts and defining actions for urban development – on strategic as well as executive levels. The School is aimed at preparing change makers who are skilled to research urban environment(s) and elaborate strategic visions as well as tactical measures for its development.

Local example: Kyiv Mohyla Business School⁶⁵

Kyiv Mohyla Business School proposes a MBA and President-MBA for CEOs that include workshops devoted to thinking, culture and art run by key actors of the culture and creative sector. It is preparing to launch a new programme in art management.⁶⁶

⁶¹ <https://prjctr.com.ua/>

⁶² <http://www.creativemanagement.in.ua/>

⁶³ <https://culturalproject.org/>

⁶⁴ www.canactions.com/

⁶⁵ <http://kmbs.ua/>

⁶⁶ Lviv Business School is also preparing a programme for cultural managers. <https://lvbs.com.ua/en/>

4.6.3 Challenges in Ukraine

- > *Strategic and managerial skills are lacking among CCI professionals in public and NGO sector hindering their organisational and business development.*

Strategic and managerial as well as communication skills are often lacking in cultural and creative disciplines curricula. The CCIs community, whether operating in public or NGO sector, miss the necessary skillset, most importantly in the fields of sustainable business models, fundraising, marketing and partnership development.

Moreover, public administration lacks human resources policy that promotes continuous training (especially in times of rapid changes and digital shift) as well as transparent recruitment processes and rotation of leadership. Institutions remain inward looking and are often not open to collaboration with independent sector.

- > *Promotion of creativity and entrepreneurship are missing from education and training offer.*

Generally, the formal education system does not promote debate nor contemporary topics and discussions. Creativity, initiative-taking, entrepreneurship and innovation are not valued nor sufficiently promoted. Schools and academia are not connected with surrounding environment, there are lack of international connections.

4.7 Developing audiences and markets

CCIs' potential and transversal features are still little known by policy-makers and much of society in EaP countries. Many CCIs professionals are not the sector's best advocates. CCIs remain largely absent in media and public discourse except among niche audiences in capitals or big cities. Active and contemporary cultural venues and institutions are difficult to find in regions and rural areas, even on the outskirts of capitals and distribution systems are under-developed. Cultural houses/clubs (*dom kultury*) across the country need more resources and consequently up-to-date cultural and creative content. Developing audiences and a demand for cultural content is also crucial. This requires increasing the number of distribution channels. The different markets within EaP countries and different regulations and languages make it difficult to internationalise and operate across borders.

The digital revolution is blurring the distinction between creators and consumers, since content can be distributed without mediators to target audiences. Cultural production and access to new content are two phases of the same process, according to Pier Luigi Sacco. In his culture 3.0 model participation becomes a generator of value as its economic and social effects can be larger than market mediated distribution. User engagement and participation demands a new economic and social environment and framework that requires trust and dialogue between different stakeholders.

Most cultural institutions and many creative enterprises and professionals need audience engagement, communication and marketing skills. Box office sales and communications tend not to be a priority for many traditional and established institutions because they target a cultivated and familiar elite that frequently attend events. For the independent scene, the lack of strategic and planning skills and a shortage of long-term investment contributes to poor communication strategies. Most independent creatives seem to have difficulties with self-promotion, branding and market positioning and rely on sales points or parallel commercial initiatives.

The shortage of value chain intermediaries - managers, agents, producers and especially marketing experts, public relations officers and communication specialists has a significant negative effect on the sector's development because these professions have the expertise to select, target and disseminate content and develop user engagement.

The diversity of expressions and content in national media is another challenge. Television can play a crucial role in promoting CCIs and contribute to building recognition and awareness and thereby increasing demand. This powerful tool is not being used to its full potential. In EaP countries there is a need to critique and a need for specialised journalists and media experts that can write about CCIs personalities, stories and successes. There are some interesting media platforms, that promote urban culture, festivals, lifestyle, cultural tourism, etc.

EaP countries are known for the diversity and quality of some of their festivals for films, music and theatre that take advantage of their geopolitical location to bridge East and West. These festivals have been important focal points for audience and business development and tourism attraction. Several of them keep a programme running all year round, and in some cases, develop initiatives that go beyond the capital cities, despite difficulties.

4.7.1 International examples

OSTV - Canal180⁶⁷ (Portugal)

- > *Open Source TV channel (OSTV) is entirely dedicated to culture, arts and creativity, combining TV and internet on the same platform. It broadcasts innovative content, created by a new generation of artists and producers, and develops cooperation projects with partners around the world.*

For more examples, see HELMET city library network⁶⁸ in Helsinki (Finland), Kinodvor City Cinema⁶⁹ in Ljubljana (Slovenia), Opgang youth audience-based theatre⁷⁰ (Denmark), Laznia Nowa Theatre & Cultural Centre⁷¹ (Poland) and Science Gallery⁷² (Ireland)

4.7.2 Opportunities in Ukraine

- > *Increasing offer and interest for local shopping are opening up new opportunities for Ukrainian brands.*

In the aftermath of Euromaidan, several initiatives have been promoting and proposing the "Made in Ukraine" label within the considerable internal market, notably fashion designer brands, including shoes and accessories, but also local agricultural products, furniture, and crafts. Maidan was also a catalyst for several independent cultural media projects notably online magazines and platforms where urban culture and Ukrainian talent is promoted and explored.

⁶⁷ <http://canal180.pt/en/>

⁶⁸ <http://www.helmet.fi/>

⁶⁹ <http://www.kinodvor.org/>

⁷⁰ <http://opgang2.dk/>

⁷¹ <http://www.laznianowa.pl/>

⁷² <https://dublin.sciencegallery.com/education>

- > *Emergence of audience development strategies among some arts and culture institutions.*

The emergence of strong cultural organisations in terms of initiative-taking and management, reflected most notably for their audience development and communication strategies, such as Mystetskyi Arsenal and Pinshuk Art Centre (in Kyiv), Izolyatsiya (in Donetsk and Kyiv) and Artsvit (in Dnipro) – may set a good example for others to follow.

Local examples on emerging digital platforms and magazines promoting urban cosmopolitan culture:

- > **Platforma**⁷³ - Independent online magazine on innovation and culture, founded in 2011, targeting creative class, active citizens, residents of large cities. Writes about initiatives of talented Ukrainian, international best practices, educational programmes in the country and abroad, innovation and reforms, the fun in art, science, business and technology, as well as events worth a visit.
- > **Korydor**⁷⁴ - Online magazine about contemporary culture by the Foundation Centre for Contemporary Art. It promotes the importance of critical thinking and provides a platform for communication between different communities.
- > **VSI.SVOI**⁷⁵ - “All Ours” proposes Ukrainian designer brands in clothes, shoes, accessories, furniture and food. It started up as a market and now it also features a store in the centre of Kyiv.
- > **Mystetskiy Arsenal**⁷⁶ - It is a large culture and art centre that brings together and develops various arts and cultural practices. All of its projects include a strong educational component. Arsenal acts as a medium between experts and the general public. One of the most successful is the Arsenal of Ideas, an event for children.
- > **HIS – Made in Ukraine**⁷⁷ - Home and furniture shop.

4.7.3 Challenges in Ukraine

- > *Low level of cultural consumption and participation reveals a gap between offer and demand in the creative economy market.*

The UNESCO culture for development indicators process has revealed that the Ukrainian households’ expenditures on cultural activities, goods and services set against total consumption was 0,66 % in 2014. As cultural employment corresponds to 3.17% of total employment, the gap between production and consumption risks getting higher.

- > *CCIs outputs are catered to professionals, while a relationship with the market is often neglected.*

⁷³ <http://platfor.ma>

⁷⁴ <http://www.korydor.in.ua/>

⁷⁵ <https://www.facebook.com/vsi.svoi/>

⁷⁶ <https://artarsenal.in.ua/>

⁷⁷ <http://his.ua/shop>



Entrepreneurs invest a lot of effort into product development, yet do not take into account the citizen-consumer and therefore reach out only to limited circle of people. Often this is due to lack of necessary training, knowledge in marketing and management and skills in attracting and engaging with audiences. This is the case also for most of cultural institutions and NGOs whose personnel do not hold the skills nor the financial resources to put forward communication plans.

4.8 Encouraging internationalisation and cooperation

EaP countries are gradually engaging in the international arena by using culture as a soft power ambassador that builds their distinctive identity. Many are initiating international tourism campaigns and using culture as a central element based on their rich cultural heritage. However, CCIs have not yet been integrated into economic and trade diplomacy in relation to export and investment campaigns. EaP countries could develop the potential of local creative talent and human resources and their contribution to the added value of the economy in new national promotional campaigns. The small market size of most of these countries makes internationalisation a necessary step so that CCIs can enlarge audiences and scale up their activities.

The opportunities for professional mobility and circulation are easing although conditions differ between EaP countries. There are no travel restrictions for EaP citizens to travel around the region. Five EaP countries demand no visas or invitations for entry to EU citizens. However, the citizens of three EaP countries are subject to restrictions when travelling to the EU. Moldova, Georgia and Ukraine have seen their visa requirements waived to the Schengen area. The on-going conflict in five EaP countries feeds instability that affects international exchange, trade and collaboration.

All EaP countries participate in major international cultural organisations and have signed international cultural conventions, e.g. within the UNESCO framework. They are active partners in several Council of Europe and EU cross-border projects,⁷⁸ targeting cultural heritage, museums, film, crafts and publishing.

One of the region's biggest achievements is participation in the EU's Creative Europe Programme. Three EaP countries are now members and others are in the process of negotiation or considering membership. The benefits go beyond funding for different dimensions of cooperation in culture and media. The Programme gives EaP countries the opportunity to engage alongside with European peers in co-creation and co-productions. Developing partnerships is basic to most of all Creative Europe strands project requirements. The programme funds formal and informal training and peer to peer learning activities for sector professionals that helps them stay in touch with potential international partners. The disadvantages are many operators in EaP countries need more international contacts and project management skills and most calls require 40-50% of co-funding which prevents many from getting involved.

Festivals in EaP countries promote the region and trigger the internationalisation of CCIs. Competitions, festival programmes, parallel showcases and talks all promote

⁷⁸ "Kyiv Initiative"; Strengthening Creative Industries in Armenia, Azerbaijan and Georgia: Heritage Crafts – Common Platform for Development"; "The Book Platform"; "Black Sea Animation Programme"; "Let's Talk about Film in South Caucasus!", are some examples.

content and creatives at home and abroad and lead to local artists and producers participating in similar events abroad. Festivals host many foreign professionals, producers, directors and related businesses. Some export their concept to other cities abroad and organise “spin-offs”. Many festivals also engage in international networks that feed continuous contact and access to opportunities for the region’s professionals and organisations. Festivals in general are most prepared to engage and take advantage of the Creative Europe Programme.

The majority of EaP countries⁷⁹ are active in the Creative Business Cup (CBC), a global platform for innovative businesses based in Copenhagen. CBC is a year-round initiative that empowers entrepreneurs in creative industries and coordinates national competitions. Local contact points promote the national competitions and the winners then go on to compete in an international event. CBC members and participating entrepreneurs have the opportunity to develop their skills and build links with investors and global markets.

Operating in the international environment requires a specific set of skills as well as pool of material resources. Professionals recognise their lack of scale to cope with the vast dimension of the international market, thus their need to network, find partners, reflect together and disseminate information. This challenge calls for an upgrade in capacity building for the sector in developing long-term strategies, and increasing managerial skills such as fundraising and networking. Institutions need to include internationalisation in their policy priorities and implement programmes and tools that allow CCIs to work transnationally.

4.8.1 International examples

Go International⁸⁰ (Austria)

- > *This is an internationalisation initiative created in 2003 to support and brand Austrian businesses as reliable and interesting partners abroad. It supplies individual enterprises with the expertise, tools and opportunities to market their offer internationally. It is coordinated with other Austrian economic and trade agencies who provide additional direct financial support instruments.*

Tallinn Music Week⁸¹ (Estonia)

- > *TMW started in 2009 as an initiative to internationalise the music industry through a conference and talent showcase festival. It has since then broadened its concept into an all-encompassing weeklong city festival, covering arts, design, technology, city space, food culture and various social issues. It is now a meeting point for European creative communities.*

For more examples, see:

Regional centres promoting CCIs internationalisation - Catalan Institute for Cultural Enterprises⁸², Flanders DC⁸³ and NOMEX Music Export Programme⁸⁴

⁷⁹ Belarus, Georgia, Moldova and Ukraine.

⁸⁰ <https://www.go-international.at/>

⁸¹ <https://tmw.ee>

⁸² http://cultura.gencat.cat/ca/departament/estructura_i_adreces/organismes/icec/

⁸³ <http://www.flandersdc.be/nl/promotie>

European and international networks and platforms - Creative Business Cup⁸⁵, Creative Tracks – Talents without frontiers⁸⁶, European Creative Hubs Network⁸⁷, European Festivals Platform⁸⁸ and the Creative Europe Programme⁸⁹

4.8.2 Opportunities in Ukraine

> *Ukraine joined the Creative Europe Programme in 2015*

Ukrainian participation in the Creative Europe Programme brings great opportunities for Ukrainian operators in culture and media not only to be co-funded by the EU for their international cooperation projects, but also for the benefits of being part of closer European family. Participation gives access to diverse opportunities for partnerships, international visibility and knowhow. In the first year many applications were prepared (25), and already 4 projects with Ukrainian participation have been successful in the cooperation sub-strand in areas of social theatre, heritage and museums, and music.

> *Set up and intensification of Creative Europe Desk work*

The Creative Europe Desk was set up in 2016 and it is currently hosted by the Ministry of Culture and the Ukrainian Centre for Cultural Studies. Since then it has been organising public information sessions, i.e. workshops, conferences, trainings and information days; as well face-to-face and online consultation sessions directly with operators. Jointly with the Ministry of Foreign Affairs it is developing an online webpage-database of Ukrainian CCIs to be launched in 2018.

> *Positive efforts of international promotion of Ukraine abroad.*

Recent efforts to promote some Ukrainian CCIs abroad have been successful. The State Film Agency is investing in presenting Ukrainian films in festivals abroad, notably at the Berlinale in order to develop cooperation projects and partnerships. Furthermore, the Ukrainian pavilion at the Venice Biennale 2017, which was dedicated to photographer Boris Mikhailov, was well acclaimed.

> *Successful participation of Ukrainian cities in the Intercultural Cities Programme of the Council of Europe.*

Diverse Ukrainian cities - Melitopol, Lutsk, Odessa, Pavlohrad, Sumy and Vinnytsia – have managed successfully to join the Council of Europe’s network and have the opportunity to exchange with other cities across Europe on how to promote cultural diversity for the development of their communities.

> *Participation in the Creative Business Cup (Copenhagen)*

The national competition has been organized by Izone since 2016 and brings together young startups with creative ideas. The winners in CBC Ukraine attend the

⁸⁴ <http://nordicmusicexport.com>

⁸⁵ <http://www.creativebusinesscup.com/>

⁸⁶ <http://www.creativetracks.org/>

⁸⁷ <http://creativehubs.eu/>

⁸⁸ <http://www.effe.eu/>

⁸⁹ <https://ec.europa.eu/programmes/creative-europe/>

international finals in Denmark with a global network of entrepreneurs, major corporations and investors from more than 70 countries.

- > *Festivals act as focal points for the sector's professional development and promotion.*

Diverse events and festivals across various disciplines and across the country act as focal points that give access to professionals and audiences to cultural contents from abroad, present Ukrainian production internationally, and contribute to branding the country through its culture and creativity. Many also offer audience development activities as well as professional trainings.

Local examples:

- > *Lviv Media Forum*⁹⁰
- > *Mercedes Benz Fashion Days*⁹¹ Kiev/Odessa
- > *Odessa International Film Festival*⁹²
- > *Lviv Book Fair*⁹³
- > *CANactions international architecture festival*⁹⁴
- > *Docudays Documentary human rights films*⁹⁵

4.8.3 Challenges in Ukraine

- > *Lack of skills and knowhow within the CCI's community for international networking and fundraising, in particular to maximise the potential of the Creative Europe Programme.*

Despite the work being done by Creative Europe Desk⁹⁶ and the high interest and motivation to apply, operators need to master a set of knowhow and skills to be able to fully benefit from the Creative Europe Programme. Application drafting, partner search, project planning, financial budgeting and monitoring are some of the expertise necessary to have successful proposals. The Ukrainian CCIs still need to better understand and convey the European concepts into their projects. Areas such as sustainable development of projects combining different sources of funding and audience engagement lack expertise. Moreover, despite interest of other European peers on identifying and meeting Ukrainian partners, an English database of Ukrainian operators is still needed (now being developed by Creative Europe Desk). Beyond the Creative Europe, CCIs professionals lack the skills and the resources to stay in the international scene and develop an international fundraising and partnership strategies. Furthermore, objectives of international programmes and donors are not always relevant for actual needs of the local scene.

- > *The need for greater compliance with the EU's audiovisual legislation hinders the full participation in the Media sub-programme of Creative Europe.*

⁹⁰ <http://lvivmediaforum.com/>

⁹¹ <http://mbkievfashiondays.com/>

⁹² <http://oiff.com.ua/>

⁹³ <http://bookforum.ua/>

⁹⁴ <http://festival.canactions.com>

⁹⁵ <http://docudays.org.ua/>

⁹⁶ <http://creativeeurope.in.ua/>



Ukrainian participation in the Media sub-programme of the Creative Europe is still limited due to lack of compliance with the European Audiovisual Media Services Directive. Existing Ukrainian law for the sector needs to be revised accordingly, notably regarding protection of minors.

> *Ongoing process to integrate Eurimages has not been concluded.*

Despite willingness to integrate Eurimages since 2013, financial reasons have been preventing Ukraine from effectively becoming an official member and therefore limiting opportunities for Ukrainian film-makers offered by the European co-production scene.

> *Inconclusive discussions on the legislation of certification of national product/film hinder international co-productions.*

The European Convention on Cinematographic Co-production signed in 1990s was finally ratified in 2012. Yet despite mandate of the State Film Agency, the national film certificate has not yet been achieved, due to ongoing inconclusive discussions, which prevents Ukraine from benefiting from official international co-productions.

> *Random and fragmented support to international mobility prevents long-term maintenance of international links and partnerships.*

The government does not have a systematic support programme for internationalisation. Private support from embassies and international organisation and donors are an alternative though still irregular source of financing. This unpredictability prevents long-term planning and the endurance of international connections and partnerships.

> *Lack of a cultural diplomacy strategy integrating a wide range of CCI.*

The goals to promote the national cultural product in the international space lack a systematic investment in branding the country within a wider and contemporary CCI vision and strategy. Ukrainian diplomacy, trade and export policies should further integrate CCI to promote and open up international opportunities for the country's talents and industry.

5. RECOMMENDATIONS ON DEVELOPING CULTURAL AND CREATIVE INDUSTRIES IN UKRAINE

5.1 Policy-making, Participation and Platforms.

- > **Recognise the role of culture and creativity in development and adopt a wider vision for CCIs**
- > **Raise awareness about the CCIs and develop sustainable action plan at all governance levels**
- > **Support alliance-building within CCIs and strengthen the link with ICT sector**

5.1.1. Short term actions

- a) **Elaborate short-term road map for CCIs reflecting Culture 2025 strategy and giving clear mandate to the new Department of Culture and Creative Industries in the Ministry of Culture.**

Existing Culture 2025 strategic vision and goals, which include the CCIs, are still requiring a clear road map for implementation. The Ministry for Culture should develop a CCIs action plan to be approved and re-adjusted annually, defining specific objectives, actions and tools to be implemented within a clear timeframe. Within this action plan, the recently created Department of CCIs, the State Agency for Film and the Book Institute should have clear articulated roles and mandates.

- b) **Promote tech-creative interactions via a programme for cultural heritage digitisation and communication.**

The Ministry of Culture should launch a programme to digitise and develop digital archives for the country's rich and diverse cultural heritage as well as create wide and interactive communication campaigns.

- c) **Promote interactions and integration of CCIs into economic and innovation policy.**

The government should acknowledge the potential of CCIs to add value and distinctiveness into products, services and the territory and promote interactions between technological field and other industries with CCIs, as well as integration of CCIs into SMEs promotion tools and tourism strategies. Articulated policy should promote matching of traditional industrial sector with the IT and creative community, particularly advertising, design and audiovisual sector.

- d) **Encourage the creation of a CCIs professional alliance.**

The CCIs community should organise an informal national platform that includes companies, NGOs, public institutions and venues. This process is crucial for breaking the sector's atomisation and create a joint platform, which is able to represent the sector and have a structured dialogue with the authorities.

- e) **Conduct local cultural and creative resource mapping processes.**

Mapping exercises should be conducted at local/regional level to identify infrastructure, venues, organisations, events, dynamics and assets in order to

promote decentralisation. This process will result in an understanding of existing and resources and become a planning tool for stakeholders and public authorities wishing to develop their regions and communities, improve a city or region's infrastructure and develop local economies. These exercises will also promote community engagement and awareness. The data could be mapped and showcased interactively. The maps could use the Creative Towns and Regions Initiative's mapping exercise⁹⁷ of the EU-Eastern Partnership Culture and Creativity Programme, which has published a handbook⁹⁸ on carrying out these mapping exercises.

f) Establish Ukrainian CCIs research and monitoring body.

It should follow up the work being done for establishing UNESCO Culture for Development Indicators, crucial to allow international comparison of datasets. The sector institutions, organisations and multiple stakeholders have to be engaged in this process to make sure that quality data is collected and monitoring processes are integrated. The monitoring and evaluation of public policies and support tools and programmes should be incorporated. Open access and dissemination of data must be facilitated.

5.1.2 Mid-term actions

a) Establish a participatory-based CCIs national policy and legal framework.

A new inter-ministerial process should be launched to define a national CCIs strategy and legal framework that builds on the Culture Strategy 2025 process and integrates other policy areas and stakeholders beyond culture, i.e. economy, education and regional development. This strategy should target an interaction among diverse policy areas within the framework of creativity and innovation. This process should be participatory and inclusive of different policy areas and regions. The bill on national culture product should be revised and integrated into this wider creative economy policy.

b) Adjust national language policy to promote Ukrainian language within a diversity of cultural expressions vision.

The national language policy promoting the use of Ukrainian language should be coordinated with intercultural dialogue and diversity policies to ensure the promotion and articulation with other languages spoken in Ukraine, including bilingual Ukrainian-Russian speakers and those from minority groups. Russian, as the second most spoken language, should be taken into consideration regarding its potential for cultural exports for neighbouring countries.

c) Set up an autonomous inter-ministerial task force for CCIs coordination.

An inter-ministerial task force should take up the role of representation and coordination of CCIs policy and implementation. This task includes the establishment of regular links and communication with civil society and sector

⁹⁷ The pilot town in Ukraine is Kosiv.

⁹⁸ Making the Most of Cultural and Creative Resources. The Mapping and Strategy Building Handbook for Creative Towns and Regions, Lia Ghilardi, EU-EAP Culture and Creativity Programme, 2017. <https://www.culturepartnership.eu/upload/editor/2017/2017/170809%20Creative%20Towns%20and%20Regions%20Handbook%20FINAL.pdf>

professionals' platforms as well as other stakeholders such as business community and academia.

d) Support creation and development of clusters and networks.

These platforms would help professionals to communicate with each other, coordinate actions and build up economies of scale. They should be diverse, cross-sectorial, and organised through bottom up initiatives. Digital platforms could be developed to communicate and showcase their actors and events and link the CCIs to wider audiences. Sub-sectors with the highest potential such as ICT, fashion, crafts, publishing, design and audiovisual could receive particular attention.

e) Launch national programme for local micro-projects of CCIs.

In order to strengthen the role of CCIs within the decentralisation process, a national public call should be launched to support CCIs projects at local level. This programme would test bottom up partnerships and solutions in view of development of new social and culture infrastructure, and support development of active public space and local economies.

f) Develop sub-sector expert studies on audiovisual sector, fashion, and publishing sector's development.

There is a need for specific sub-sectoral analysis and development strategies in the selected fields to better acknowledge ongoing dynamics as well as future perspectives. The sub-sectors of audiovisual, book and publishing, and fashion should be given priority in view of existing potential and fast growth.

5.2 Infrastructure, Funding and Frameworks

- > ***Link and support the development of necessary infrastructure and creative hubs***
- > ***Promote favourable ecosystem and legal framework for CCIs***

5.2.1. Short-term actions

a) Facilitate and support creative projects' access to venues and public spaces.

Allowances based on project proposals and/or public tenders should be given to small-scale independent initiatives, especially when they manage to co-fund, to ease and support access of CCIs professionals to spaces, whether public (e.g. within cultural institutions) or when disused. Creative hubs, artistic and cultural venues that have proven dynamics and management capacities should also benefit from the process. It will have a positive effect on city-level regeneration initiatives.

b) Promote a mobility/placement programme for hubs in Ukraine.

The myriad of business and creative hubs and co-working spaces existing throughout the country should be better connected and more collaborative. There is a need for promotion of a joint placement or mobility programme for hub managers and entrepreneurs or co-workers among existing spaces. It can also evolve into an international mobility programme allowing to exchange with fellow hubs in Europe and worldwide.

c) Promote evidence-based management and collaborations in between state institutions with independent and start-up community.

Gradually introduce more flexible and evidence-based management of CCIs projects, organisations and institutions to which public funding should be dependent on. This will help to create opportunities for qualifications and career development and lifelong learning alongside evaluation of leadership and staff, promotion of strategic planning, including marketing and communication, and business models. In the case of state cultural institutions, the opening up to collaborate and work alongside with the independent sector and other creative entrepreneurs should be promoted. The promotion of networks and collaborations among cultural institutions associated with touring schemes are also fundamental to create synergies.

d) Ensure the setting up of an arm's length competitive funding system through the new State Cultural Fund.

A new relationship should be developed between state and the sector through the new State Cultural Fund, that implements a transparent and systematic process of grants programme that is inclusive and adapted to diverse players: cultural institutions, independent/NGOs and also creative entrepreneurs. It should follow the arm's length principle, ensuring equal access, selection based on project's proposals, and evaluation and monitoring. In the specific case of CCIs businesses funding line, the programme should be articulated together with the Ministry of Economy within its SME's policies and programmes, in order to adapt to CCIs' different life cycles.

e) Create incentives to encourage charity and investment in CCIs

Laws should be introduced that give sponsors, donors and other investors supporting the CCIs tax incentives. These incentives are crucial to make the sector more attractive especially for companies with a corporate social responsibility (CSR) policy. An information campaign to raise awareness in the business community should accompany any such change in legislation.

f) Develop a new audiovisual law compliant with EU standards.

The audiovisual sector requires a new legal framework to operate, that goes beyond cinema and addresses the challenges of the digital economy. This law should be compliant with the EU standards so that Ukraine can participate in the Media Sub-programme of Creative Europe. The State Agency for Film role in linking and consulting the sector's stakeholders in this process is pivotal. The IT sector's potential synergies should be fostered.

5.2.2 Mid-term actions

a) Promote a joint platform/network among IT, business, creative and arts hubs.

Existing hubs should gather regularly, network and promote joint platform and activities, like staff exchanges, peer to peer learning workshops, debates, matchmaking events, mentorship sessions, hackathons and labs. A common network would serve these spaces and structures to have a common voice and advocate for their activities. This joint interaction contributes also to further

development of partnerships as well as cross-sectorial collaborations and advocacy.

b) Establish favourable regulations and incentives for CCIs business creation and development.

The tax system should be simplified, to allow easy and smooth start up – reduced obligations for entrepreneurs in ramp up years in particular. A revision of tax system should also secure a more stable state budget support for creative and innovation policy connecting it with taxes coming from tobacco, alcohol, or lottery and/or channelling TV stations contributions and DVD sales, for example. The state should also mediate and facilitate guarantees for investors and private sector – micro loans, business angels, and venture capital.

c) Monitor and raise awareness for copyright and develop collective management accountability.

There is a need to raise awareness for copyright procedures among all the sector stakeholders and to reform and simplify copyright and related rights laws to favour CCIs. Collective management accountability should be further developed, particularly by supporting collective management societies to develop a more transparent collection and distribution of royalties. Assessment and monitoring of copyright industries impacts and dynamics should be fostered by developing inter-institutional relations among competent authorities to facilitate data collection. Finally, new forms of remuneration and business models based on open sources and commons licencing should also be considered and explored.

d) Complete reform for public broadcasting and promote editorial and financial autonomy to allow fair competition and pluralism of expressions.

Reinforce legal framework to allow freedom of expression, ownership accountability and equal opportunities in accessing public distribution systems, allocating frequency resources, licencing and advertising. The state has a crucial role to play in ensuring transparency, accountancy and fair competition that allows overall CCIs development but also promotes and favours the production and distribution of locally produced contents.

5.3 Skills, Audiences and Markets

- > **Promote creativity and entrepreneurial skills throughout education system on all levels**
- > **Engage and promote CCIs among wider audiences**

5.3.1 Short-term actions

a) Develop strategic and communication skills within state cultural institutions.

The Ministry of Culture should develop in partnership with private sector a programme inviting entrepreneurs and practitioners from NGOs and private companies to share good practices, discuss and propose new concepts and joint projects to national and local cultural institutions.

b) Integrate informal education initiatives as pilot projects into secondary schools and university programmes.

Several informal education initiatives have proven to be successful, therefore a collaboration process should be promoted with secondary education establishments and universities. Humanities, arts and contemporary culture topics and non-hierarchical learning methods should be tested within the formal education environment and curricula. Furthermore, these good practices and lessons learnt from alternative and informal education projects and platforms should be discussed and integrated into the policy agenda towards the reform of the school system.

c) Include management courses within CCI's curricula in higher education institutions.

Higher education establishments should include management courses – including strategic and communication skills and audience development skills – on the diverse artistic, cultural and creative curricula. These courses should make necessary links to the sector organisations and institutions as well as overall society to provide cases for students to work on. Links and joint working groups between arts and creative disciplines students and business and management students should be encouraged. It should also favour research in the CCI's field, data collection, organisation of guest lectures, open universities, online courses, and competitions in this area.

d) Conduct peer-to-peer exchanges targeting cultural leaders and actors of decentralisation.

A peer-to-peer training process should be conducted to raise awareness concerning the role of CCI's for economic and territorial development within the decentralisation process. The Ministry of Culture should organize series of events (meet-ups, talks, etc.) as well as peer to peer exchanges to connect local authorities and cultural operators in the regions with CCI's practitioners and entrepreneurs.

5.3.2 Mid-term actions

a) Set up a network of shops/workshops for local CCI's products branded as "Made in Ukraine" throughout the country.

These shops/workshops shall serve as focal points for dissemination of creative works and products – crafts, local produce, fashion, other design products, publications. Museum, cultural heritage sites and other cultural venues should include this shopping stands serving as showcases and sales points for the CCI's products. These institutions can also launch local calls for ideas on products/services associated to local cultural and natural heritage.

b) Develop joint education, research and development programme for ICT and CCI's linking academia and industry.

A joint programme to promote and support post-graduate education, research and development linking ICT and CCI's should be set up to develop qualifications, allow the investment in innovation of processes and products and build up ties among academia and industry, but also between IT and CCI's. Promote crossovers between R&D centres and incubators within universities to allow experimentation and testing of business cases and liaison with investors.

c) Integrate makerspaces and clubs within schools and higher education premises.

Starting up as pilot projects, gradually makerspaces and clubs should be integrated into schools since early age education. Artists, ICT experts and other creative entrepreneurs should facilitate the activities to explore creative competences and processes as well as team dynamics.

d) Develop mobility programmes and internship opportunities for students, graduates and entrepreneurs.

A joint programme by the Ministry of Culture and the Ministry of Education should support regional and international mobility and exchanges in the framework of studies and internships for students and young graduates and entrepreneurs in schools/universities, creative hubs and other CCIs organisations and companies.

5.4 Internationalisation and Cooperation

- > **Promote Ukrainian talent and creativity worldwide**
- > **Provide resources for international cooperation and trade**

5.4.1 Short-term actions

a) Reinforce the work of the Creative Europe Desk.

Membership of the Creative Europe Programme should be fully accompanied, monitored and fostered by an active Creative Europe Desk. The existing Ukrainian Desk had a promising set up yet this work needs to be continued and reinforced. It should promote information and advisory campaigns throughout the whole country and build the capacity of entrepreneurs and professionals to bid and take part in successful project implementation. For this the Desk should have due financial resources and knowledgeable team. Among other activities, the Desk should: promote and inform about the Programme goals and criteria; identify and support linkages to potential European partners, networks and consortia; coach and provide training for developing project applications; and maintain an English database of Ukrainian operators.

b) Develop a cultural diplomacy and external relations strategy.

The Ministry of Culture, Ministry of Foreign Affairs and Ministry of Economy should develop a CCIs external relations policy. Contemporary Ukrainian culture, IT and creative talent could be promoted by diplomatic, export and trade missions in order to link Ukraine's cultural identity and products with its foreign policy. There should be more incentives for attracting investment and opening up new markets.

c) Set up an efficient mobility grants scheme to participate in international circuits.

A flexible and agile grants scheme – with several regular calls per year – should be set up to support and facilitate international travels, notably to: identify and meet partners, engage in networks, participate in residencies and expose in international fairs, missions and festivals.

d) Provide match-funding support for international projects and consortia.

Participation in international consortia requires co-funding. That often prevents small operators from participating. Therefore match-funding like advantageous

micro-loans or a public support scheme should be established for grant awardees in international applications (notably Creative Europe).

e) Set up the legal basis for defining “national film certificate” and become a member of Eurimages to support official co-productions.

There is a need to set up a legal framework to define “national film certificate”, the requirement to be able to engage and have benefits from official co-productions. Following up to Ukraine’s ratification and entry into force of the European Convention on Cinematographic Co-productions, the process of adhesion to Eurimages should be concluded.

f) Build on and reinforce the existing Eastern Partnership cooperation.

Continue and strengthen peer-to-peer learning, sharing, knowledge, information, policy development, communication, and advocacy and awareness raising for the potential of CCI in EaP countries. Pursue joint capacity building mobility programmes associated with project grants and common platforms to showcase local talents and resources.

5.4.2 Mid-term actions

a) Create a focal point “Creative Ukraine” to support and promote Ukraine’s CCIs abroad.

This focal point would act as intermediary with two articulated missions: inform and build the capacity of the sector internally; and to promote Ukraine’s CCIs abroad. The sector requires support for international projects: provide information and contacts, notably via maintaining updated database of partners, investors, networks, consortia and projects; make linkages with international companies; provide coaching and training for cooperation and export procedures and know-how; identify and develop applications to international funding opportunities. The Creative Europe Desk could be integrated into this focal point. It should maintain links and networking to diaspora so they serve as potential investors and ambassadors.

Secondly, it should develop a communication and branding plan to promote the country through its CCIs talents, contents, products/services. Organise showcases and events on CCIs home and abroad. This effort should also be articulated with tourism authorities for including cultural tourism as one of the targets.

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APPENDIX B: LIST OF PARTICIPANTS IN WORKSHOPS, INTERVIEWS AND SITE VISITS

Kyiv, 19th - 20th October 2016 and Lviv, 21st October 2016

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Mystetskyi Arsenal
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