Getting cultural heritage to work for Europe

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EXECUTIVE SUMMARY

Cultural heritage is a significant force for 21st century Europe. Not only is it at the heart of what it means to be European, it is being discovered by both governments and citizens as a means of improving economic performance, people’s lives and living environments.

Cultural heritage is increasingly regarded as a positive contributor to European GDP. Indeed Cultural heritage is now widely appreciated as an essential part of Europe’s underlying socio-economic, cultural and natural capital. This is a significant change in focus as cultural activities have traditionally been regarded as costs to society.

The economic benefits of cultural heritage have most commonly been seen in terms of tourism, but it is now also seen as an innovative stimulant for growth and employment in a wide range of traditional and new industries. It is also to be recognised as major contributor to social cohesion and engagement as a way of bringing together communities and stimulating young people to engage with their environment. Many countries have successfully exploited these benefits, generating prosperity, bringing new jobs and creating improved environments. This report gives some concrete examples of how cultural heritage has been a production factor in local and national economies.

Yet this positive experience of cultural heritage is not yet universal. In many places, both urban and rural, rich cultural assets have not been recognised for the potential they hold to regenerate and renew. Getting Cultural Heritage to Work for Europe argues that the European Union should vigorously promote the innovative use of cultural heritage for economic growth and jobs, social cohesion and environmental sustainability.

The report suggests that lessons should be learnt from places where cultural heritage has been a positive economic, social and environmental driver. Innovative financing, new forms of governance, unified landscape management, public private partnerships, crowd-sourced funding, philanthropy and many other innovative and creative approaches have been taken to releasing the locked-up potential of Europe’s heritage. Those lessons should be applied to unlock the possibilities for growth and development that cultural heritage holds across Europe.

The authors believe that the evidence demonstrates that relatively modest investment in cultural heritage can pay substantial dividends. These can be taken economically but also in terms of improving environmental sustainability and social cohesion.
THE CULTURAL HERITAGE OF EUROPE

Interest in, and support for, cultural heritage is changing. Two centuries of discussion and debate about collecting and conservation has led to a broad consensus in favour of preserving remains of our past. A passion, no less, exists for collecting historic artefacts, nurturing traditions and protecting historic places. This enthusiasm has moved far beyond the traditional boundaries of the monument and the museum case to embrace intangible heritage and cultural and natural landscapes and ecosystems. Though each European nation has its own traditions, approaches and laws this has left the continent, as a whole, with some of the richest cultural heritage in the world.

Many now regard cultural heritage, not as a luxury, but as a vital resource for citizens and a key part of Europe’s competitive advantage with the rest of the world. Europe offers something that, in terms of living and working environments and tourism, is envied world-wide.

This report considers the contribution that innovative use of cultural heritage can make to a smarter, more inclusive and more sustainable Europe now and in the future.

THE CONTRIBUTION OF CULTURAL HERITAGE

In terms of economic policy, cultural heritage has generally been considered as a cost to society; a financial burden tolerated, principally, as a moral duty. Museums, ancient monuments, historic buildings, parks, gardens and cultural landscapes have been maintained at public cost - as places that have not, with a few exceptions, directly generated measurable economic advantage.

This assessment of heritage echoes the now outdated view of environmental protection as only an economic cost factor. It is now generally accepted that environmental neglect can have severe economic and social impacts which outweigh the cost of protection. As a result, environmental considerations are often mainstreamed into policy and are an integral part of the overall economic model.

Similarly, in this report we argue that a cost-centred view of cultural heritage is short-sighted. Cultural heritage must be seen as a special, but integral, component in the production of European GDP and innovation, its growth process, competitiveness and in the welfare of European society. Like environmental protection, it should be mainstreamed into policy and regarded as a production factor in economic and wider policy development.

Such a position is in line with the Conclusions of the Council of the EU (Education, Youth, Culture and Sports) adopted unanimously on 20 May 2014 which has underlined that cultural heritage is a ‘strategic resource for a sustainable Europe’.1

It is worth providing some examples that illustrate this important argument. The first, and most obvious of these, is tourism which owes much of its attractiveness to the rich cultural heritage of Europe, be it in historic towns and cities or in the countryside. Europe is the world’s no. 1 tourist destination and is the third largest socioeconomic activity in the EU, contributing 415 billion Euros to the EU GDP and employing 15.2m citizens many of whose jobs are linked to heritage.2 It is estimated that there were 253,000 jobs in cultural and natural tourism in the UK in 2011 and that its combined direct, indirect and induced impact (the amount generated by the sector’s purchases from other industries and the spend by workers) provided 742,000 jobs in 2014.3

Even in sun & sea areas (not the principal reason for Non-Europeans to visit the continent), the availability of cultural heritage contributes to a stabilization and diversification of tourism flows, particularly off-season.

But tourism alone is a limited view of the positive economic contribution of cultural heritage. Renovation and maintenance represents more than a quarter of the value of Europe’s construction industry. It is estimated that repair and maintenance on historic building stock in England supported 180,000 jobs in 2010. This becomes 500,000 jobs if the indirect effects are included. The property values of residences in historic districts out-perform comparable properties in modern developments. Businesses tend to locate in these areas, as it is easier to attract specialists and expats to live and work in such places. The example of knowledge intensive companies who congregate in culturally rich areas of historic cities is a telling one. These businesses, and others, often seek out historic buildings that can be converted into office space for their headquarters. Cultural heritage thus also enables innovation and enhances the long term competitiveness of the European economy.

Similar considerations are valid for Europe’s intangible cultural heritage – films, theatre, music and dance as well as craftsmanship and cuisine - which are also important reasons either for tourism inflows or for exports of services, manufactured goods and produce.

The availability of cultural heritage and services is not only important for its measurable economic benefits. It also enriches the quality of life for European citizens and contributes to their wellbeing, sense of history, identity and belonging. Such social benefits are beyond what can be measured in terms of pure income statistics and have been long recognised. As early as the 14th century, the Statutes of independent Italian municipalities attributed to cultural heritage foreign visitors’ happiness and residents’ honour and prosperity, based on beauty, embellishment (decorum), dignity, public pride and public good (publica utilitas).

The challenges that European society is facing in terms of demographic change, migration and political disengagement of citizens, especially youngsters and unemployed people, have raised the question of how citizens can be empowered and better involved in institutional processes. We believe cultural heritage innovation can transform these challenges into positive outcomes for cohesion and wellbeing as is underlined in the Council conclusions on participatory governance of cultural heritage.

Improved cultural education can foster greater unity and cohesion of European citizens, including immigrants, and facilitates democratic engagement. Better understanding of Europe’s cultures and their interaction with non-European cultures and societies improves inter-cultural dialogue and mutual understanding.

Lastly, cultural heritage has a decisive role to play in sustainable development. In many places across Europe, the contribution of cultural heritage to sustainable development has been crucial: particularly in the regeneration of cities and landscapes. Cities recycling buildings, using historic street-patterns and exploiting historic synergies have improved quality of life and reduced carbon emissions. In the countryside, more holistic management of the environment, bringing cultural and natural heritage together in single systems, has resulted in greater efficiencies and improved quality of life.

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8 OJ (2014/C 463/01)
OUR OBJECTIVES FOR CULTURAL HERITAGE

This report argues that the European Union should vigorously promote the innovative use of cultural heritage for economic growth and jobs, social cohesion and environmental sustainability. It takes three interlinked areas of activity economy, society and environment, where we believe that a targeted programme of investment will yield considerable benefits. This leads to our three objectives, which are as follows:

1. **Economy**: Promoting innovative finance, investment, governance, management and business models to increase the effectiveness of cultural heritage as an economic production factor.

2. **Society**: Promoting the innovative use of cultural heritage to encourage integration, inclusiveness, cohesion, and participation.

3. **Environment**: Promoting innovative and sustainable use of cultural heritage to enable it to realise its full potential in contributing to the sustainable development of European landscapes and environments.

**1. Economy - Promoting innovative finance, investment, governance, management and business models to increase the effectiveness of cultural heritage as an economic production factor**

Once cultural heritage is regarded as a positive economic driver in the European economy, it makes sense to involve the private sector more in exploiting its potential. The traditional model whereby the private sector primarily invests in tourism services and products delivered by hotels, restaurants and shops, while the public sector focuses on historic buildings, parks and museums, is then put into question - particularly in a period when the public sector does not have adequate funds to maintain its assets. An alternative approach consists in the private sector getting more involved in cultural heritage, in order to optimise its use within its own business model. This would build on the potential of historic areas as well as intangible assets to nurture new manufacturing, service and creative industries attracting investment in the fabric of heritage as well as creating growth and jobs.

In such a model, the public sector would be called upon to refocus its own approach to cultural heritage. Rather than considering components like museums as a natural monopoly, it should incentivise the private sector to get involved, as well, through instruments such as tax breaks, differentiated VAT rates, well designed grant or loan programmes, public private partnerships (PPP) schemes, rights releases etc. It should generally create more of an environment encouraging the private sector to invest in cultural heritage.

There have been many examples of projects in areas of rich cultural heritage that have stimulated jobs, apprenticeships, growth and innovation. Some of these have been extremely effective. This is an area that is little understood on a European level. We propose support for a number of demonstration projects that could show communities, cities and regions how their cultural heritage can be used to create employment in construction-related industries, cultural and creative industries and digital and clean technologies.

Likewise, all over Europe, there have been experiments in developing new models of financing for cultural heritage. We are interested, for instance, in those that draw in private investment which restores and adapts heritage assets, delivering cultural and environmental services in historic areas. In these models developers are rewarded through risk sharing and taking a proportion of revenues generated. We are also interested in returns on investment that can be generated by exploiting intangible heritage.

**2. Society - Promoting the innovative use of cultural heritage to encourage integration, inclusiveness, cohesion, and participation**

We do not only see innovative governance in terms of business and the state, we also see it in terms of increased participation by citizens. Cultural heritage has traditionally been identified, protected and maintained by heritage specialists and/or professional heritage institutions. Although this has brought many benefits it has resulted in a heritage management system in which local communities often bear little responsibility for their own cultural landscapes, monuments, collections and intangible heritage.
At a time when deregulation and decentralisation are policy goals in nearly all European countries, there are strong arguments for new collective arrangements for heritage and landscape management. These are reinforced by reductions in central budgets for protection and management of heritage, and the limited capacity of the commercial market to take up the slack.

We also believe that an innovative use of cultural heritage has the potential to actively engage people - thereby helping to secure integration, inclusiveness, social cohesion and sound investment, all necessary ingredients of smart, sustainable and inclusive growth.

Some important steps have already been taken in this direction. The digitization of cultural heritage, whilst initially framed by institutions, is now increasingly a collective process involving community access and collective sharing of knowledge. Citizens’ engagement in cultural heritage management and preservation could be further investigated in order to build on the emerging practice through new investment and the use of digital technologies.

Volunteering is also an important aspect. For an aging population with more leisure time, cultural heritage offers a major opportunity to engage older citizens, and there is much evidence to suggest that engaged and motivated citizens stay healthier.

Cultural institutions can also contribute to involving youngsters and unemployed people in cultural heritage related activities (e.g. renovation projects, museums, community management) in order to develop their self-confidence and professional skills and enable them to return to the job market even in sectors not related to cultural heritage.

3. **Environment - Promoting innovative and sustainable use of cultural heritage to enable it to realise its full potential contributing to sustainable development of European cultural landscapes and environments**

Cultural heritage plays an important role in the sustainable development of rural and urban cultural landscapes. These very rarely consist exclusively of natural ecosystems. Instead, they are made up of a broad range of semi-natural or cultural ecosystems whose diversity has been determined to a large extent by the past management of humans. As a result, many natural and semi-natural landscapes are teeming with all kinds of cultural heritage, including archaeological relics, historical landscape features, architecture as well as more intangible values such as traditions, stories and toponyms.

The research, planning and management of these cultural landscapes have been traditionally split. Science is often monodisciplinary, policies are mostly single-sectoral and the management of landscapes shows a strong divide between nature and heritage management. This often leads to miscommunication, inefficient use of resources and loss of cultural and ecological assets.

It is widely recognised that we now need to develop new tools, methods and approaches for planning and managing these complex dynamic systems. They will need to cover a broad perspective on cultural heritage.

Historians, economists and social scientists have done a lot of research on the management of common goods, common land and common resources since the 1990’s. These show that common management can actually be very sustainable if it is in accordance with situation-tailored, or situation-specific types of governance. This leads to one of the major challenges in European heritage management for the next few years: the development of new heritage commons. How can we use the new insights on sustainable management of common land and common goods in order to develop successful new collective arrangements and strategies on the local and micro regional level for different categories of heritage? And how could these new local arrangements successfully match with professional and institutional heritage management, or could even be an alternative for these? Possible impacts could be a stronger engagement and involvement of local communities in landscape and heritage management, new sources of financing as well as a considerable reduction of management costs.
OUR RECOMMENDED ACTIONS

We propose four actions that we believe will reinforce the role of heritage as part of Europe’s underlying socio-economic, cultural and natural capital. Each relies on the sharing of experience across European countries. Each, we believe, will contribute to creating growth, jobs and reinforce cohesion and participation.

1. Heritage Led Urban Regeneration

Europe’s cities are unique in being both the powerhouses of the continent’s economy whilst also being ancient settlements full of character and interest. They are often great places to live, work and visit. Many cities have recognised that their unique history is a powerful magnet for attracting talent, tourists and investment. Many have used their historic environment as the basis of regeneration.

Some, however, still struggle to reach their full potential. They suffer from unemployment, disengagement and economic stagnation. Many of these are places where traditional industries and services have now died and there are large areas of dereliction. Research has shown that, all too often, lack of civic ambition lies at the root of this type of urban decline.

Our proposal is to spread knowledge, experience and good practice to help municipal leaders develop the vision, and gain the skills, to be successful at using heritage to regenerate their towns. We propose to identify 30 cities or towns across Europe that have been demonstrably successful in using their cultural heritage as a powerful economic, social and environmental catalyst for regeneration.

We suggest bringing together the leaders of those towns to build a blueprint for success – a manual of the governance structures, financial instruments, means of engagement and legal frameworks that are necessary for successful heritage regeneration.

Many of the factors in the blueprint will be transferable and this group of leaders will also develop a hands-on programme for the leaders of other towns and cities that want to learn how they can transform themselves through heritage regeneration.

The group will also have responsibility for proposing ways of mobilising investment in order to realise these ambitions, including, where relevant, European Structural and Investment Funds.

The outcome will be more European cities that use their powerful historic environment to build a solid long-term economic base, creating jobs and growth, while improving the quality of life for citizens and building a strong sense of identity and engagement amongst them.
The Action Programme for the Urban Rehabilitation of the Mouzinho/Flores Axis_CH.2 is one of the 10 operations which constitute the territorial strategy of the Management Plan of the Historic Centre of Oporto World Heritage. Along with Morro da Sé, it is a territorial unit already changing, either through public-driven interventions supported by a contribution from EU funds, either by private-driven interventions that mirror the recovery and rehabilitation of the built fabric, either also with the installation of new commercial activities, of new tourist accommodation units and restaurants. Actions have been developed for the promotion of the physical regeneration of private and public buildings, as well as the public space, which has triggered the private interventions, along with several intangible actions.9

Grainger Town, in the heart of Newcastle, is an award winning example of ‘heritage led’ regeneration.

The Grainger Town Project ran from April 1997 – March 2003. It was an ambitious holistic regeneration programme with a strategic approach which was driven by a ‘Civic Vision’. It was led by the Grainger Town Partnership, a public private partnership established by the city council, and supported by several national and regional Governmental development, regeneration and conservation organisations as well as local businesses and local people.

The project was established with the aim of addressing the underlying causes of decline within Grainger Town, a 35 hectare Georgian development built in the mediaeval city in the 1830s. The Project succeeded in promoting change, reversing decline and helping to produce more positive perceptions of the area. In particular it demonstrated that investment in cultural heritage can bring significant social and economic benefits by setting wider targets than just restoration including, employment, training, business development as well as housing. The regeneration of the area exceeded almost all targets creating 2,300 jobs in 330 new businesses. There was 81,000 m² of new commercial floor space and 570 new dwellings. The public investment, in the end, totalled €67m which levered an additional €288m of private investment.

9 [http://www.portovivosru.pt/mouzinho/flores/]
**2. Sustaining Cultural Landscapes**

Just as some of Europe’s great historic cities have suffered from decline so have many rural areas. Changes in agricultural practice, depopulation and marginalisation, and short-term management decisions have all contributed to unemployment, poverty and a loss of biodiversity and cultural diversity in Europe.

This need not remain the case. Europe’s cultural landscapes, a uniquely subtle blend of natural forces and the hand of man, are amongst the continent’s greatest treasures. In many places they have been nurtured and managed effectively so as to attract and retain young people, develop new businesses and increase biodiversity. Skillful management has enhanced historic features and character and has attracted tourism and successful new economic activity.

**We propose** a project to be run in parallel to the one on heritage led urban regeneration by identifying 30 cultural landscapes that have demonstrated how culture and biodiversity can be integrated and enhanced to create successful living rural landscapes.

We would gather together those who are responsible for such places; this might be quite a diverse group including landowners, businessmen as well as local leaders and NGOs. Based on their experience they would be encouraged to produce a blueprint for successful rural heritage-led regeneration as well as new innovative or experimental pathways for future sustainable regeneration.

Just as with its urban counterpart there would be an emphasis on transferable success measures and these would be converted into a programme of training and advice to people in other parts of Europe who are struggling to bring economic vitality back to their regions. The proposals will be brought forward as candidates for consideration by EU structural funds, in addition to ERDF and ESF also by Rural Development Programmes.
**Sustainable tourism**
*Serra da Estrela, Portugal*

Centuries of strong interaction between man and nature have made the mountain area of Serra da Estrela in Central Portugal one of the richest areas of the Iberian peninsula in terms of biodiversity and cultural heritage.

In the last fifteen years many local and regional entrepreneurs have developed successful strategies in sustainable tourism that combine local and regional strategies on biodiversity with the protection of cultural heritage and the production of high quality regional products.

Many deserted farms have been restored and re-used for small-scale agro-tourism. So-called Green Tracks (Trilhos Verdes) help tourists to explore the exceptional qualities of the cultural and natural landscape and the stories behind it. Regional farmers have revived local food production and have developed a chain of food products, sold in the cities of Portugal.

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**Integral landscape management**
*National Landscape Drentsche Aa, The Netherlands*

A very successful example of integrated natural and cultural heritage management is the Dutch National Landscape Drentsche Aa. This cultural landscape has an extremely rich biodiversity as well as extensive archaeological and historical landscape values. Since 2004 government institutions, citizens, nature and heritage organisations, planners and scientists have cooperated intensively, in order to provide new integrated strategies for interdisciplinary research, participatory planning and integral landscape management.

Expert knowledge of scientists and the knowledge of a large number of local volunteers has been integrated into a landscape biography and digital landscape atlas that acts as a starting point for planning, management and tourism. Government organisations and stakeholders have agreed on a common landscape strategy that acts as a platform for sustainable economic growth, with an important role for tourism, which covers about 40% of the regional economy. The integration of cultural and natural heritage is a key factor in this. Citizens play a very important role in local planning and local landscape management, supported by both nature and cultural heritage institutions. This has raised awareness and local involvement, and has also reduced management costs considerably.
3. Inclusive Governance

Cultural heritage is unquestionably one of the most powerful forces that we have for building social cohesion. It is, after all, the shared spaces and memories of European society. All over Europe people have discovered that it has been effective in combatting disengagement and disempowerment. It has also been successful in building a sense of identity and greater social cohesion through participation and a sense of ownership.

The effect of migration, globalisation and disengagement from democratic structures amongst young people remains a serious concern for the EU and for its member states. We believe that by engaging young people in their cultural heritage a stronger sense of belonging, cohesion and participation can be fostered. This cannot be top-down. It needs to be generated by young people: the schools and associations to which they belong and from amongst the NGOs, foundations and collectives that already exist.

We believe that young people can be stimulated to develop new ways in which their heritage can be made to work for them; ways of using new technology to bring it alive and be more relevant; ways of using heritage to achieve things differently; ways of creating new businesses based on heritage products and services; ways of stimulating new jobs in traditional craft skills.

**Our proposal** is for a trans-national inducement prize for cultural heritage projects that build social cohesion and understanding. Priority would be given to projects that would be capable of being transferred and scaled up and being funded as a demonstration project at an EU level.

The outcome would be many thousands of people thinking about how they can work together to use their shared inheritance for public benefit. The demonstration projects would inspire more groups to develop and implement ideas engaging them more closely with their localities and reinforcing a sense of European identity.

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**Vocational qualifications for young people regarding built heritage**

**Acta Vista, France**

Acta Vista is an association offering solutions for employment qualifications and for employment of people engaged in vocational pathways in the building trades. Acta Vista was founded in 2001 by entrepreneurs engaged for a social economy to serve public interest. Its purpose is to enable the poorest people, engaged in professional integration pathways to access a professional curriculum and qualification through training projects in the fields of built heritage.

Acta Vista among all landscape designers who have made the development of the Jardin des Migrations of Fort Saint Jean in Marseille, was the winner of the Golden Awards 'Urban Communities Gardens', the competition organized in 2014 by Wins Landscape.°

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http://www.actavista.fr
Raising awareness and facilitating cultural participation

Article 27, Belgium

The Belgian non-profit organization Article 27 (from Article 27 of The Universal Declaration of Human Rights) raises awareness and facilitates cultural participation for people living in a difficult social and/or economic situation. The association intervenes on the supply side through visitors’ contributions towards ticket costs, and invests on accompanying to encourage critique and/or artistic expression. Its travel is developed through a network including social and cultural partners and the public.11

Addressing youth unemployment and disengagement

The Escuela Taller (Training School) in Úbeda, Spain

The ‘Escuela Taller’ or Training School was created in Úbeda to help address the growing shortage of craft and heritage building and landscape skills within the local labour market as well as to help tackle the problem of youth unemployment and assist with job creation. It is an innovative case study that has the potential for replication across Europe where the problem of a lack of traditional building skills is widespread with potentially serious implications for the ongoing repair and regeneration of cultural heritage.

In the ‘Escuela Taller’ scheme in Úbeda specialised training is taught in occupations demanded by the labour market involving a range of handicraft skills related to heritage rehabilitation and conservation. The aims of the programme are to: (i) Provide professional qualifications for young people from 16 to 25 years old, and for successful candidates to be subsequently integrated into the labour market; (ii) Secure the recovery of traditional handicraft skills and occupations; (iii) Create opportunities for youth employment; (iv) Improve the quality of restoration of historic buildings and public spaces.

The ‘Escuela Taller’ training school promotes pioneering teaching techniques whereby training in practical skills is associated with heritage education – raising students’ awareness and appreciation of the value of heritage. The project has achieved 80% integration into the local labour market. It successfully tackled the important social challenge of youth unemployment in a sustainable way bringing significant benefits both to the students in terms of ‘life skills’ and to the wider community in terms of the proper repair of the city’s heritage assets. The approach adopted in Úbeda and elsewhere in Spain represents a significant opportunity for other historic cities to emulate. It demonstrates the personal and community benefits that can be realised by investing in both the heritage and young people.

http://www.article27.be

11 http://www.article27.be
4. Innovative Business Models for cultural heritage

Both urban and rural landscapes contain individual buildings, structures and cultural institutions that define and reinforce their history. Today, due to economic problems and social change, there are a wide range of problems associated with such places.

Many historic assets are facing functional redundancy: churches no longer used for worship, farm buildings no longer used for agriculture, factories no longer used for manufacture. The costs of converting such places for alternative uses are often so great that a traditional private sector model that relies on a return on investment will not succeed.

There have been various attempts at finding new models for financing such projects. Some have used public money to lever private investment, other models rely more heavily on philanthropy, NGOs, social enterprises and investment funds. Many require new governance models and legal frameworks.

We believe that much more can be done if people understand the opportunities that exist. Therefore we propose a number of demonstration projects to show demand-driven reuse of heritage using innovative financing and governance models. These projects would be selected on the basis of their innovative use of financial instruments to provide funding for heritage reuse projects where existing financial markets do not supply them.

We also believe that there is scope for an inducement prize to encourage the innovative use of the media to support adaptive re-use projects. We believe that adaptive re-use projects are very attractive to media and that the potential exists to disseminate achievements widely reaching large audiences. The benefits of this will be to showcase successful projects encouraging others to regenerate potentially difficult buildings and foster an interest in the media in cultural heritage.
Adaptive re-use of the industrial building complex
Van Nelle Factory in Rotterdam, The Netherlands
(EU Prize for Cultural Heritage Grand Prix of 2008; UNESCO World Heritage Site since 2014)

Vacated in 1998, the 55,000 m² buildings were acquired by a property development partnership in 1999 with the aim to restore the buildings and convert them into workspaces for the creative industry.

The reuse intervention between 2000 and 2006 involved first the three factory buildings (originally for tobacco, coffee and tea), further the dispatch building, the warehouses, the technical workshops, the former canteen, the office block and the porter’s lodge. These buildings are now rented out as offices, studios and production space for over 100 small and medium-sized businesses in the creative industry, employing over 1000 staff.

In 2008, the total project investments amounted approximately € 53,000,000. The premises were acquired for approximately € 9,075,000, of which € 770,000 was subsidized by the Municipality of Rotterdam. The total costs for implementation of the restoration and conversion project including installations had been approximately € 43,925,000, of which € 2,730,000 was subsidized by the National Department for Conservation. Apart from investments attracted from financiers, an additional investment of approximately € 17,672,000 had been generated by issuing relatively modest shares to private participants, who enjoyed tax benefits for the maintenance of historic heritage. Then, this ‘Commanditaire Vennootschap Van Nelle Ontwerpfabriek’ counted 340 shareholders, who had been the owner of the Van Nelle complex since 2000.

The outstanding and unique heritage value of the Van Nelle Industrial Complex has been largely preserved, due to the minute restoration of the exterior curtain wall, glazings and plasters, as well as the staircases with remaining original washrooms, the tea room and other ‘public’ areas of the interior, while, at the same time, almost all changes and additions to the buildings are highly reversible and could be taken out whenever appropriate.
A crowdfunding platform for cultural heritage

For Italy

For Italy is the community where people from all over the world can show their love of Italy, interact with each other and contribute concretely to the protection of Italy’s unique art and culture (also including food and lifestyle).

Crowdfunding is a synergic process that involves people sharing others’ projects, and organizations supporting them economically through charitable contribution. The elected operating system most suitable for crowdfunding is the web, where passionate and curious stakeholders gather to realize a new bottom-up funding system intended to support humanitarian initiatives, innovative business, scientific research, and artistic/cultural causes, such as For Italy. By taking an active part in crowdfunding campaigns launched by For Italy, people can become a part of art history by closely associating their name with an Italian masterpiece. People’s generosity is compensated not only through receipt of exclusive products made in Italy, generously donated by the platform’s sponsors, they have also the chance to have their name published on a plaque and all the informative material associated with the oeuvre.

The first crowdfunding campaign launched by For Italy reached unexpectedly positive goals: the funds raised through this campaign have been fundamental to realizing an innovative aseismic pedestal that will allow to safely exhibit Francesco I d’Este’s bust by Gian Lorenzo Bernini, preserving it in case of future earthquakes.

Post-Restoration of intangible heritage

‘The Cabinet of Dr. Caligari’ shines in Digital Cinema Quality

With its comprehensive digital restoration, the Friedrich Wilhelm Murnau Foundation, which owns the rights, and the international media company Bertelsmann as the main sponsor, have ensured the preservation of one of the world’s most important silent movies. Regarded as a milestone of expressionist cinema, it continues to inspire filmmakers to this day.

The movie can now be distributed for rental from the Murnau Foundation as a DCP (digital cinema package) for movie theatres, festivals, event organizers, home entertainment editions on DVD and Blu-ray. Without the digital restoration, in the years ahead the movie from UFA’s inventory would be limited to screenings at only a few theatres that still use analogue technology.

12 http://www.foritaly.org/
Introduction

The main objective of the workshop was to bring together experts and stakeholders from academia and public and private sectors and discuss future research and innovation policy agenda and priorities in cultural heritage based on the draft working paper of the Horizon 2020 Expert Group in Cultural Heritage, in view of the Group's final report.

The workshop was structured in three main sessions:
- Session 1 aimed at presenting and discussing the work done so far by the Expert Group, in terms of proposing a new agenda on the promotion of innovative use of cultural heritage for economic growth and jobs, social cohesion and environmental sustainability.
- Session 2 included three parallel thematic panels on Economy, Society and Environment where participants provided their recommendations and additional proposals, in order to enrich and refine findings, provide best practice examples and experience and better define and frame future activities for cultural heritage in these three specific fields.
- Session 3 concerned the reporting back from the thematic panels. An open discussion among all participants was encouraged for additional feedback and conclusions.

Session 1 – Plenary

The plenary opening session set the frame for the workshop, by underlining the importance of cultural heritage as a source of smart and inclusive growth. A roadmap with actionable recommendations for a renewed Research and Innovation agenda, up to 2020 can contribute to making cultural heritage a source for economic development, social cohesion and environmental sustainability throughout Europe. The plenary session also introduced the work of the Expert Group, through dedicated presentations on the main outcomes and achievements thus far, followed by discussants, who commented on the draft recommendations.

The following main points were raised during this interaction between Expert Group members and discussants:

- The need for a change of mentality, whereby cultural heritage is no longer considered as a 'stock' to be maintained, but as a flux in a process of 'heritigis'. This would further mean a transition from the 'conservation' to the 'transmission' of cultural heritage.
- In turn, this new paradigm should take into account different theories, also from outside Europe. As the heritage context is being produced by the communities themselves, the concept of cultural landscapes is becoming increasingly important.
- Two possible scenarios emerge for Europe: to become a theme park (undesirable) or to be transformed into a heritage laboratory (whereby global expertise is needed).

Session 2 – Thematic panels

The participants were split in three break-out groups reflecting three priorities: Economy, Society and Environment. Each panel discussed on the corresponding, objectives, actions and expected results, which were then reported back to the plenary. In brief, the following can be summarised:

The Economy Panel stressed the need for innovative finance, investment, governance and business models, which would successfully render cultural heritage a production factor. Five objectives were delineated: (a) the diffusion of know-how related to the use of cultural assets after their restoration/conservation; (b) the diffusion of successful (and not-so-successful) practices related to funding, particularly on Public-Private Partnership (PPP) models; (c) drawing upon the experience on the valuation of ecosystem services and how these could be applied to cultural heritage; (d) the relation of cultural heritage to innovation, and (e) the export/dissemination of European know-how to other parts of the world.

The Society Panel referred to the innovative use of cultural heritage to encourage integration, inclusiveness, social cohesion and participation. Main objectives identified concerned (a) awareness raising and improved understanding of European culture (Faro Convention), (b) the involvement of all societal groups in innovative new cultural heritage products and services; and (c) ways to build cultural and social capacity, through awareness, education and demonstration.

The Environment Panel focused on the innovative and sustainable use of cultural heritage, which would enable it to realise its full potential and contribute to the sustainable development of
European landscapes and environments. Several objectives were discussed: (a) how to develop the practical means for sustainable and inclusive human development in European cities, using cultural heritage as an asset, with cultural heritage considered as part of environmental impact assessments, and considering links between archaeology and green infrastructure; (b) contribution of cultural heritage to urban well-being; (c) new models for municipal governments to decide on local heritage issues; (d) effective ways of integrating the management of natural and cultural heritage and (e) shifting from an object-orientated approach towards a spatial approach in heritage planning.

**Session 3 - Open Discussion and Conclusions**
The final session comprised the reporting back from the thematic panels and an open discussion on the outcomes that emerged.

The following priorities can be summarised:

- The need for **inter connections between the three themes**, considering particularly the increasing role of local communities and the necessity to co-design cultural heritage services and actions.

- The need for **integration between EU policies**. Cultural Heritage should be mainstreamed in EU policies and initiatives (e.g. Smart Cities). Similarly to the Natura 2000 initiative, an EU atlas for cultural and natural heritage would have significant contribution to awareness raising.

- The need to **develop further research and analyses**, for example on cultural capital (economic side), on new ways to link economic aspects and citizen involvement, as well as on emerging governance models (social side); and on considering cultural landscapes early as part of land use and spatial planning processes (environmental side). Finally, the importance of identifying best practices, also with reference to experimentation and risk taking, was highlighted.
ANNEX II: THE HORIZON 2020 EXPERT GROUP ON CULTURAL HERITAGE

Background, aims & objectives

The European Commission is developing an EU reference policy framework for Research & Innovation for cultural heritage, which positions cultural heritage as a source of smart, inclusive growth, building on the potential of new business models and social innovation to stimulate financing in this sector.

The Expert Group that collaborated for this report was formed in 2014 according to the provisions of the Horizon 2020 Work Programme 2014-2015, for Societal Challenge 5 ‘Climate action, environment, resource efficiency and raw materials’. The main objective of the Group's work was to provide advice and recommendations to the European Commission, and to help define an innovative EU R&I policy framework and agenda for cultural heritage, that can build on the potential of new business models and social innovation, to stimulate financing in this sector.

The main task of the Group was to engage in forward looking reflection to develop a vision to maximise the added value that cultural heritage can bring within the context of future environmental and socio-economic change and outline a clear orientation for how EU R&I policy and programmes can help in delivering this. The Group thus focussed on providing strategic advice on EU research and innovation priorities for stimulating a green economy approach to cultural heritage and cultural landscapes, and on making recommendations on innovative and sustainable investment and financing for cultural heritage that would reflect a strong societal and entrepreneurial centred approach, as well as cultural ecosystem services. In doing so, the Group relied on:

- Reviews and analyses of existing policy relevant initiatives, activities, and science and innovation.
- Trends and developments in enhancing and valorising cultural heritage in Europe and beyond, in urban development and regeneration, addressing also the balance between preservation/conservation and adaptive re-use and upgrade.
- Trends and developments in relation to innovative governance models of cultural heritage assets as well as business and investment models at private/business/industry/regional/European level, with synergistic effect.

As part of their work, the Group met four times in Brussels to discuss, consolidate and complete their recommendations: on 25 June 2014, 17 September 2014, 27 November 2014 and 17 December 2014. In addition, a workshop 'Towards a new EU agenda for cultural heritage research and innovation' was organised on 27 November 2014, to open up the discussion to the larger community, and to test and further discuss the identified priorities and recommendations with a broader array of stakeholders.

Further information on the activities and Terms of Reference of the Expert Group can be retrieved from: http://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupDetail&groupID=3091.
The Members of the Horizon 2020 Expert Group on Cultural Heritage

Philippe Busquin – Chair

Philippe Busquin was a Member of the European Parliament from 2004 to 2009 for the French Community of Belgium with the 'Parti Socialiste', part of the Socialist Group and sat on the European Parliament's Committee on Industry, Research and Energy. Philippe Busquin was the chairman of the Science and Technology Options Assessment Panel. He also was a substitute for the Committee on the Environment, Public Health and Food Safety and a member of the Delegation to the EU-Russia Parliamentary Cooperation Committee. From 1999 to 2004, he was Member of the European Commission with responsibility for research. Philippe Busquin is President of the 'Commission belge francophone et germanophone pour l'UNESCO'.

Simon Thurley – Rapporteur

Dr. Simon Thurley is a leading architectural historian and has been the Head of English Heritage since 2003. Previously he ran the Museum of London and before that was Curator of the Historic Royal Palaces. He is a Senior Research Fellow at the Institute of Historical Research, University of London and visiting Professor of the Built Environment at Gresham College and his books include The Building of England, Men from the Ministry, The Royal Palaces of Tudor England, and Hampton Court Palace: a Social and Architectural History. He is an honorary member of the Royal Institute of British Architects and the Royal Institution of Chartered Surveyors and in 2012 was awarded a CBE for services to heritage.

Astrid Brandt-Grau

Dr. Astrid Brandt-Grau is Head of the Department for Research, Higher Education and Technology within the Secretariat General of the French Ministry for Culture and Communication. Member of working groups dedicated to the setting up of the National Research Strategy and of the Steering Committee of the French National Agency for Research in the field of Humanities and Social Sciences. She is a member of the Governing Board of the JPI 'Cultural Heritage and Global Change: a new challenge for Europe'. She has studied art and archaeology and science applied to preservation of cultural heritage and has been mainly involved in research in the field of preservation of cultural heritage. From December 2008 to October 2012, she worked as a Seconded National Expert in DG RTD Directorate I, on cultural heritage issues.

Guy Clausse

Guy Clausse is a Director at the European Investment Bank (EIB) and the Dean of the EIB Institute. He joined EIB in 1985, where he worked as a country economist for Southern Europe, on the appraisal of priority investment projects notably in Europe’s less developed regions, on environmental coordination issues, in the coordination of the bank’s lending operations and, often in cooperation with other EU Institutions, on the preparation and implementation of the Bank's strategy in such fields as regional policy, SME finance, innovation finance and urban infrastructure funding. At the EIB Institute he launched the cooperation with Europa Nostra in the field of heritage conservation, notably the ‘7 Most Endangered’ programme. He cooperates also with several social and charitable associations. Before joining EIB, he was lecturing at Cologne University and directed the Instituto de Estudos para o Desenvolvimento in Portugal. He has studied economics and business administration and holds a doctorate from the University of Cologne.
**Christer Gustafsson**

Christer Gustafsson is Full Professor in Cultural Heritage Management and Sustainable Development at Uppsala University, Professor (hon.) at Nanjing University in China, faculty member at IPMI International Business School, Jakarta, Indonesia and a Member of the scientific board of Cultural Industries and Complexity Observatory at IULM University, Milano, Italy. He is also Secretary-General for ICOMOS International Scientific Committee on Economics of Conservation, and a member of the European Union’s panel of experts for European Heritage Label.

**Jana Kolar**

Dr. Jana Kolar is Head of RD at Morana RTD, a research intensive micro-company, which specialises in the development of applications for micro-destructive or non-destructive identification and characterisation of materials. Her area of expertise lies in the assessment and conservation of cultural heritage, networking, knowledge transfer and optimisation of results in cultural heritage, research for SMEs, science and society and coherent development of research and innovation policies.

**Elisabetta Lazzaro**

Dr. Elisabetta Lazzaro is Chair and Professor of Cultural Management at Université Libre de Bruxelles (ULB). Prof. Lazzaro’s publications and research focus on cultural economics and cultural policy analysis, including: analysis of value formation, innovation and financing of cultural goods and services; stakeholders, structures and regulation of art markets and creative industries; cultural participation and audience development; culture, regional development and cohesion; socio-economic impact and capacity building of culture; culture in international relations; digitization of cultural heritage and archives and other applied ICT. In her field experience Prof. Lazzaro has similarly assisted several international and national cultural institutions, national governments, regional administrations and nonprofit and for-profit cultural organizations.

**Fani Mallouchou-Tufano**

Fani Mallouchou-Tufano is Professor at the School of Architectural Engineering of the Technical University of Crete. Prof. Mallouchou-Tufano has specialized in archaeology, conservation and restoration of monuments and sites. She is member of the Committee for the Conservation of the Acropolis Monuments of the Hellenic Ministry of Culture and Sports as well as of many NGO and scientific societies working for the safeguarding and the enhancement of cultural heritage. She has received many awards and since 2008 she has been member of the Jury of the European Union Prize for Cultural Heritage / Europa Nostra Awards and nominated Chairwoman for the years 2014-2015. Her research interests include Preservation History, Protection, Enhancement and Management of Archaeological Heritage, European Cultural History, especially as far as it concerns the issue of the assimilation of Greek and Roman Heritage in modern Europe, Historic evolution of cities, Historic Photography.
Brian Smith was appointed Secretary General of the European Association of Historic Towns and Regions by the Council of Europe in October 1999. The organisation changed its name in 2010 to Heritage Europe. Brian has 18 years of experience as a Director in local government managing departments with responsibilities covering urban planning, architecture, heritage, transportation, economic development, and environment. Heritage Europe promotes the interests of historic towns and cities through international cooperation, sharing good practice and promoting sustainable management. Its membership covers 32 European countries with over 1,200 historic cities represented.

Theo Spek is a full professor of Landscape History at the University of Groningen since 2010. Between 1990 and 2003 he worked as a researcher and project leader in landscape studies at Wageningen University and Research Centre. Between 2004 and 2010 he worked as a programme leader in cultural heritage studies at the National Heritage Agency of the Netherlands. In 2010 he founded the Centre for Landscape Studies at the University of Groningen, which combines the following four tasks: 1. Master and Research Master education on landscape studies; 2. Fundamental landscape research; 3. Applied landscape research (contract research); 4. Valorisation of scientific knowledge by websites, publications, courses and excursions for practitioners, volunteers and the broader public.
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“Evidence demonstrates that relatively modest investment in cultural heritage can pay substantial dividends. These can be taken economically but also in terms of improving environmental sustainability and social cohesion.”

The above statements are part of the findings of the Expert Group on Cultural Heritage established under the Horizon 2020 Work Programme 2014 for the Societal Challenge ‘Climate action, environment, resource efficiency and raw materials’. The group, chaired by Dr. Philippe Busquin, former Commissioner for Research, Science and Technology and former Member of the European Parliament, aimed at contributing to further investigating and providing input for fully developing the potential that cultural heritage holds for Europe. Further to the chair, the group comprised nine renowned experts from the private and public sector, including Professor Simon Thurley, CEO of English Heritage, who acted as rapporteur.

This report, presenting the conclusions of the Expert Group, provides the rationale for setting a renewed European Research & Innovation policy agenda on cultural heritage. It outlines the general framework about cultural heritage in Europe and the contribution it can make towards smarter, more inclusive and more sustainable development. The report further delineates three priority objectives along the economic, social and environmental side and describes recommendable actions, drawing upon successful cases where cultural heritage has been a positive driver for sustainable development.

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