

Cultural projects in EU programmes

Culture in the EU's Structural Fund projects and in the Rural Development Programme for Mainland Finland in 2007–2013

Publications of the Ministry of Education and Culture 2012:16

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Foreword

The activities of the EU's Structural Funds and the European Agricultural Fund for Rural Development will have a large impact on the Finnish culture sector in the programme period 2007–2013, seeing as the Funds had allocated over €180 million in public and private funding by the end of 2010. More than 800 projects have been implemented since 2007. This figure does not include projects that received a financing decision in 2011.

The funding of the EU's Structural Funds and the European Agricultural Fund for Rural Development can be compared to the state and municipal funding annually allocated to culture, which for the state totals around €400 million and for municipalities some €500 million.

A separate survey was conducted to determine the significance that the European Regional Development Fund, the European Social Fund and the Rural Development Programme have on cultural development, since comprehensive information about the allocation of project funding to culture has not been readily available. The survey of the Structural Fund and Rural Development programmes in mainland Finland was carried out to gain more information about project implementation from the perspective of culture. Moreover, the survey provides information about the kind of support that cultural project implementers may need at the national and regional levels and about ways in which project participants can cooperate.

The survey has separate sections on the EU Structural Fund programmes and on the Rural Development programme. They are independent of one another but are presented together to enable the reader to simultaneously review the cultural funding of different programmes. However, the implementation of Structural Fund projects and the Rural Development programme should also be analysed in their own right, since the criteria of funding programmes differ from one another. The Rural Development programme focuses on projects that are smaller in terms of funding, and it receives applications from the third sector more commonly than do the European Regional Development Fund or the European Social Fund.

The objective of this survey is to serve national, regional and local developers in the culture sector and in project activities by providing different levels of information about new development measures introduced in projects, and about their results. The information can be used to, for example, prepare and implement cultural policy. With preparations for the new programme period 2014–2020 about to start, the survey results can also be used for this purpose.

Our warmest thanks go to Laura Pekkala, BA and student of social sciences, for her work on the survey, as well as to Marianne Selkäinaho from the Ministry of Agriculture and Forestry for her help and comments concerning the section on the Rural Development Programme.

This survey was conducted by the Ministry of Education and Culture in cooperation with the Rural Policy Committee's Culture Theme Group.

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1 Background and objectives of the Structural Fund survey

Several EU regional and structural policy programmes are underway in Finland. In the structural fund period 2007–2013, various types of projects are funded by some €6 billion in Finland. The overall sum consists of EU funding (€1.7 billion), national funding (€2.1 billion) and private funding (€2.3 billion), and part of the funding also targets cultural projects. The goal of this survey is to determine the type of cultural development funded by the EU's Structural Funds, as well as the scope of funding.

Cultural projects are reviewed from both a regional and thematic perspective. The regional review focuses on the distribution of funding in major regions (NUTS 2), as well as in regions administered by the Centres for Economic Development, Transport and the Environment (hereafter ELY regions). The thematic review categorises projects into those involving 1) the creative economy and cultural entrepreneurship, 2) cultural tourism, 3) cultural well-being and 4) culture in general. The projects will be analysed based on the development measures involved in each theme. The projects are also examined by the field of culture and art they target. In addition, culture is supported through multidisciplinary projects, in which culture is one target of development among other sectors (for example, entrepreneurs and companies in the creative economy participate in business training alongside other sectors) or in which culture is recognised as a part of the development of tourism (for example, cultural players involved in the cluster of well-being tourism). Multidisciplinary projects are briefly discussed in this survey, but they are not categorised in greater detail. Furthermore, they have not been included in the funding sums, since it is impossible to determine how much of the funding ultimately targets culture while projects are still ongoing. Still, it is useful to keep in mind that culture and the creative economy are also developed as a part of development measures in other sectors.

Structural Funds are tools for the EU to implement structural policy. They are used to level out regional differences and to support weaker regions suffering from structural changes. The main objective of Structural Funds is to increase the competitiveness of and employment in regions. The European Social Fund (ESF) is the EU's main employment policy instrument, which is used to support employment by improving job opportunities and service structures. ESF assets have helped to implement measures promoting employment and entrepreneurship, as well as to arrange labour market training and subsidised employment. The ESF programme carried out in mainland Finland consists of a national and regional part. The latter is divided into four subsections – Western Finland, Southern Finland, Northern Finland and Eastern Finland – all of which have their own funding

framework. Around half of the ESF funding is distributed through national themes. This sum targets all of mainland Finland, with the exception of Eastern Finland.¹

The European Regional Development Fund (ERDF), in turn, supports projects that develop companies, encourage innovation, boost networking and improve regional accessibility. ERDF funds are used for research and technology, regional educational projects and infrastructure projects that provide employment. A considerable share of ERDF funds is also allocated to business development and investment projects that provide economic stimulus. Owing to the incomplete data available, such projects cannot be discussed in this survey. Five regional ERDF programmes are underway in Finland, their targets being Southern Finland, Western Finland, Eastern Finland, Northern Finland and the Åland Islands. This survey deals with all the programmes excepting the one focused on the Åland Islands.²

¹ www.rakennerahastot.fi (Accessed 30 May 2010)

² www.rakennerahastot.fi (Accessed 30 May 2010)

2 Material and methods

Material

The survey material was collected in June 2010 using the EURA2007 system. Information on project categorisation and funding was retrieved from the authority section and project descriptions from the public database (rr information service). This information was then used to identify the culturally-oriented projects, which comprise the main material of this survey. In autumn 2010, the Centres for Economic Development, Transport and the Environment (ELY Centres) were requested to complete the listings compiled in the summer concerning cultural projects in their own regions. This added another 13 ESF projects and four ERDF projects to the material. In addition, the Centres reported a total of 11 multidisciplinary projects (ESF: 8; ERDF: 3), in which culture is developed in conjunction with other development measures.

The gleaning of cultural projects from the overall project material was laborious work, since the authority section does not enable the use of search words for project searches. While the public database does provide a search word option, the word must exactly match the one used in the project application for the search to succeed. One would have to use all the inflectional forms of words to search the system – and some of the projects would most likely still be omitted. For the purpose of this survey, all the projects were retrieved from the EURA2007 system in smaller batches, and cultural projects were extracted based on the project name, applicant, various category information and descriptions. Most of the work was done manually. To facilitate the monitoring of cultural development projects and help to obtain an overall picture of cultural funding from Structural Funds, a separate search element for cultural projects should be added to the project information service. Such an element could be recorded in the system by project administrators, who identify their projects as cultural in nature.

The survey material consists of 2,685 projects found in the information systems in June 2010. Of these, 1,348 were ESF projects and the overall funding allocated to them was around €968 million (on 18 June 2010). ERDF projects totalled 1,337 and the overall funding allocated to them was €708 million (on 10 June 2010).

The material does not include the business aid projects in the Tuki2000 system or projects focused on culture and the creative economy funded by the Finnish Funding Agency for Technology and Innovation (Tekes). These projects were excluded from the survey since the information obtained from the EURA2007 system did not enable them to be systematically identified as cultural projects. However, in the questionnaire circulated in autumn 2010, a few ELY Centres listed cultural and creative economy projects funded with business subsidies in their regions.

This leads to the conclusion that culture also receives funding through business subsidy projects.

The review is based on the overall funding allocated to each project, consisting of public (EU, state, municipal, other public sector) and private funding. Purely administrative shares are analysed based on overall public funding. The allocated sums represent the situation at the end of 2010. Midway in the project period, there is still project funding that remains to be allocated.

Methods

Of the overall project material, cultural projects were identified based on their name and brief summary. In some cases, projects can also be identified as cultural ones based on the implementer (for example, an educational institution or a party clearly involved in the culture sector) or on indicator data pointing to the administrative branch of the Ministry of Education and Culture³. In a few cases, the nature of activities was determined by using information on the project's website. If a project is to be categorised as cultural a clear link to the art and culture sector is essential. This means that the sector is either a participant or the target of activities or that culture plays an important part in project implementation.

Cultural projects were then categorised thematically according to Table 1, with each project belonging to only one category.

Table 1. Thematic categorisation of cultural projects

Creative economy and cultural entrepreneurship	Projects which launch, develop and expand business and entrepreneurship in the creative economy and culture sector and which develop products or services as well as companies. Projects that create favourable circumstances for the creative economy, for example, through networking and cooperation.
Cultural tourism	- Projects which improve the prerequisites for and operating environment of cultural tourism, as well as competence in the field, or which develop tourism products and services. - Cultural projects that involve cooperation with the tourism sector and tourism projects that involve clearly cultural elements. - Creative economy projects that include measures clearly related to tourism.
Culture and well-being	- Projects in which culture promotes participation, communal spirit, creative everyday activities or environments. - Projects in which culture functions as part of the social and health sector and projects that promote well-being at work with cultural measures.
General culture	- Projects that preserve and restore cultural heritage and cultural environments and that enhance related competence without obvious goals involving the creative economy or cultural tourism. - Cultural heritage digitisation projects and projects developing library activities. - Other general cultural projects (accessibility of the Sámi culture, development of children's culture) without obvious goals involving the creative economy, cultural tourism or well-being benefits of culture.
Multidisciplinary projects	Projects in which culture or the creative economy is developed indirectly or as part of the development of another sector.

³ The EURA2007 system categorises projects by administrative branch. Some of the projects belonging to the administrative branch of the Ministry of Education and Culture are categorised as cultural projects.

How cultural projects were thematically identified from the overall project volume based on brief descriptions in project applications is open to interpretation. Some of the projects could easily be placed under any of the themes listed above. This leads to differences in priorities being emphasised in the categorisation. The survey results should thus be considered indicative in nature.

Multidisciplinary projects

The multidisciplinary project category is the most ambivalent of the ones listed above. In multidisciplinary projects, the creative economy or culture is closely linked to other sectors, making it impossible to separate the actions or funding targeting different sectors. For example, the project carried out at the Small Business Centre of the Aalto University School of Economics (project name in Finnish: Innovaatioyliopiston yrityshautomotoiminnan kehittäminen - START UP CENTER RUOHOLAHTI (S10680)) focuses on developing the University's business incubator activities and an operating model shared by three fields: technology and engineering, economics and art and design. That is to say, competences in the creative industries are developed alongside technology and business skills.

The University of Jyväskylä's project dealing with spearhead projects that support the region's innovation cluster (project name in Finnish: Innovaatiokeskittymää tukevat kehäankärkihankkeet (S11350)) aims to clarify and amplify the potential and significance of selected areas of operation. The creative industries are involved in the project as one field of activities jointly with services and research environments.

In multidisciplinary projects, the creative industries are developed in close connection with other fields, and their funding or development activities cannot be separated from the rest. Therefore, multidisciplinary projects and the funding allocated to them have not been included in regional reviews or the more detailed reviews of art, culture and fields of development.

3 Results

3.1 Development of the creative economy and culture through Structural Funds in Finland

A total of 292 culturally oriented ESF and ERDF projects were identified in the project material (n=2,685). Their total funding allocated by the public sector (EU, state, municipalities, other public sectors) and by the private sector totalled €148.8 million at the end of 2010.

ESF projects accounted for 129 of all cultural projects, and the overall funding allocated to them was around €70.8 million. In turn, there were 163 ERDF projects, with an overall funding allocation of €708 million.

In 2007–2013, the overall public ESF funding (EU, state, municipalities, other public sectors) totals €1,414 million. Of this sum, the administrative branch of the Ministry of Education and Culture accounts for €509 million, or some 36 per cent. The overall public funding for ERDF projects in 2007–2013 totals €2,097 million, of which the administrative branch of the Ministry of Education and Culture accounts for €210 million, or some 10 per cent. All in all, the Ministry's administrative branch accounts for some €719 million. The material does not include information about the overall public funding for cultural projects per administrative branch. This information would enable the share of overall public funding for culture to be compared to the overall funding of the administrative branch. It should be noted that culture is also funded by branches other than that of the Ministry of Education and Culture. Projects related to cultural environments, for example, are funded by the administrative branch of the Ministry of Agriculture and Forestry and projects related to cultural entrepreneurship by that of the Ministry of Employment and the Economy.

The following figures depict the distribution of ESF and ERDF funding for culture, as well as the distribution of cultural project funding among the ESF, ERDF and the Rural Development Programme for Mainland Finland.

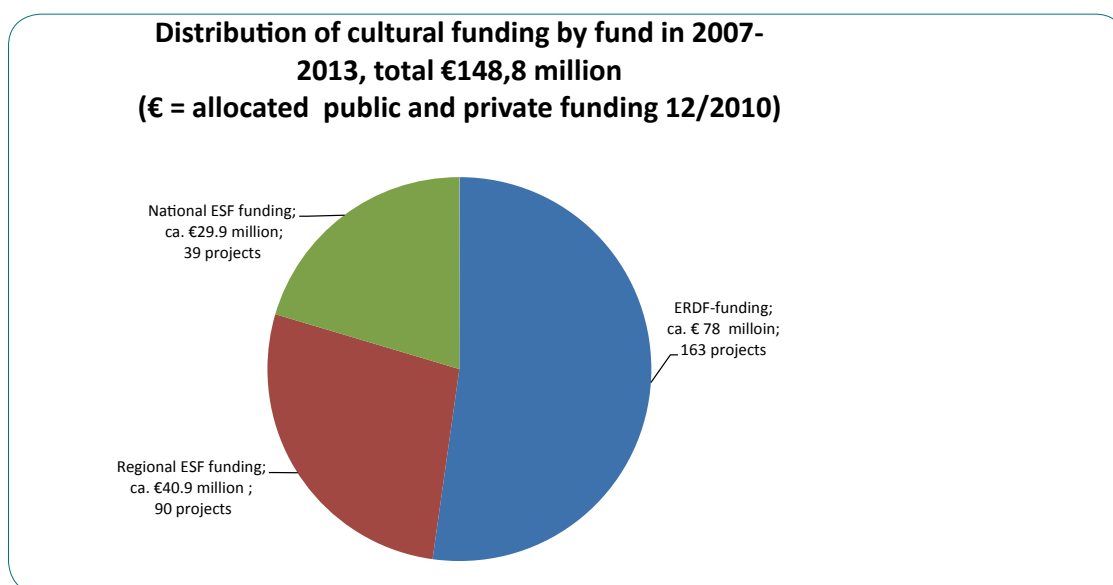


Figure 1. Distribution of cultural funding by Structural Fund

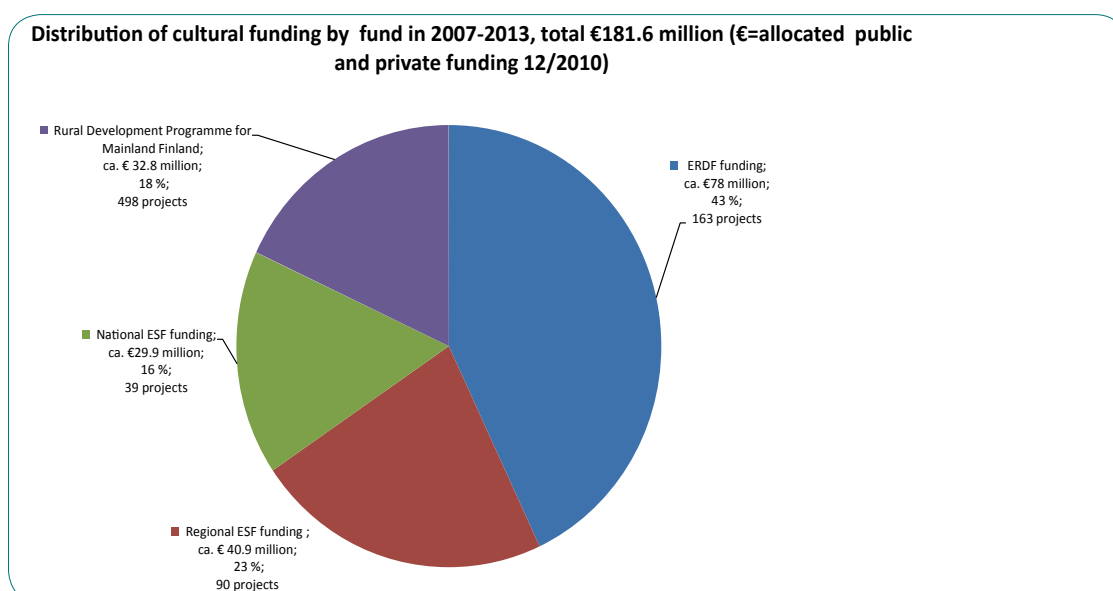


Figure 2. Distribution of cultural funding between Structural Funds and the Rural Development Programme

3.2 Structural Fund funding and projects by major regions (NUTS 2)

3.2.1 ESF projects and funding

Cultural projects are funded from both national and regional ESF programmes. Regional programme funding targets each major region, whereas funding granted through national development programmes is required to have an impact on all of mainland Finland, except for the major region of Eastern Finland. Figure 3 depicts the distribution of funding allocated to cultural ESF projects by major region. The majority (44%) of ESF funding targets culture through national development programmes. This emphasises the programmes' role as a funder of the culture sector. The bulk of funding for major regions is allocated to cultural projects in Eastern and Southern Finland (approximately 20% each). Regional programmes in both Western and Northern Finland allocate around ten per cent of overall funding to culture.

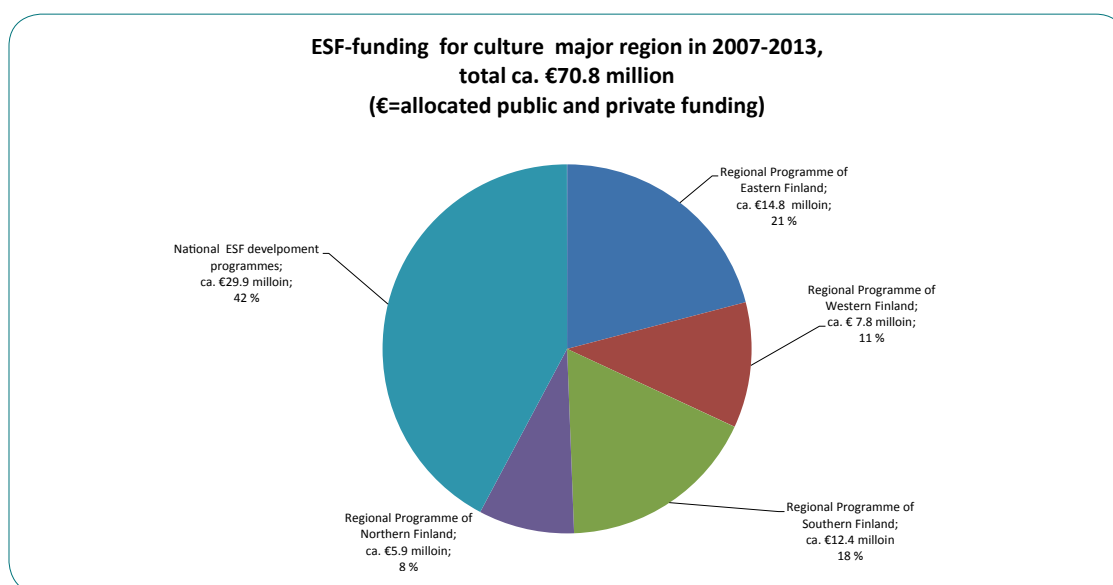


Figure 3. ESF funding for culture by major region (in 12/2010)

Regional programmes receive distributable funding on different grounds, which affects the overall amount of money available for distribution. Eastern Finland receives a subsidy for sparsely populated regions and transition period support, which puts more funding at its disposal. The actual sum allocated to cultural projects indicates the volume with which they are funded. Table 2 lists the sums allocated to cultural projects as a percentage of the overall funding reserved for regional programmes. This shows how much of the available resources are set aside for culture.

Table 2. Share of cultural ESF projects of overall funding (in 12/2010)

Major region	No. of cultural projects	Funding for culture at the end of 2010 (€)
Regional programme of Eastern Finland	31	14,818,513.00
Regional programme of Western Finland	19	7,778,575.00
Regional programme of Southern Finland	23	12,373,019.00
Regional programme of Northern Finland	17	5,941,321.00
National ESF development programmes		(in June 2010)
	39	29,874,646.00
Total	129	70,786,074.00

Table 2 indicates the number of projects funded from ESF programmes, the overall funding of each regional programme, funding allocated to culture, as well as the share that culture accounts for of the overall funding for each regional programme. In all, funding for cultural ESF projects accounted for 7 per cent of all the funding allocated in ESF programmes. In relative terms, the largest share of cultural funding (11%) was recorded in Southern Finland and was considerably larger than that of any other major region. The smallest share allocated to cultural projects was in Northern Finland (6%). It should be noted that in Table 2 overall funding allocated to cultural projects is examined in relation to the overall funding for the programme period 2007–2013, not to the funding allocated to projects at the end of 2010. The status of national cultural projects under the ESF programme is from June 2010, while the status of other programmes is from December 2010.

The situation in the major region of Southern Finland correlates with the large number of parties involved in the culture sector and the creative economy of Southern Finland and especially the metropolitan area. According to a report by Statistics Finland, culture has a far stronger role in the regional economy in the metropolitan area compared to any other region. Moreover, the major region of Southern Finland also includes southwestern Finland, which is the second most culturally intensive area. Cultural intensity is measured using Statistics Finland's cultural accounts and is defined as being the share of the region's added value that the cultural sectors account for. The results of the metropolitan area benefit, for example, from the high concentration of cultural sectors with a high added value, such as the audiovisual and design industries. Many large operating units of the traditional, print mass media are also located in and around the capital. According to cultural accounting, cultural intensity is lowest in South Karelia, which has very few economically significant cultural activities.⁴ Since South Karelia is also included in the major region of Southern Finland, more detailed regional analyses are required in this field.

3.2.2 ERDF projects and funding

In mainland Finland, cultural projects receive ERDF funding through four regional programmes, each of which implements its own major region action programme as well as the action programme of the region in which the project is carried out. Figure 4 indicates the distribution of ERDF funding for culture by major region. Table 3, in turn, presents the share of overall funding allocated to cultural projects.

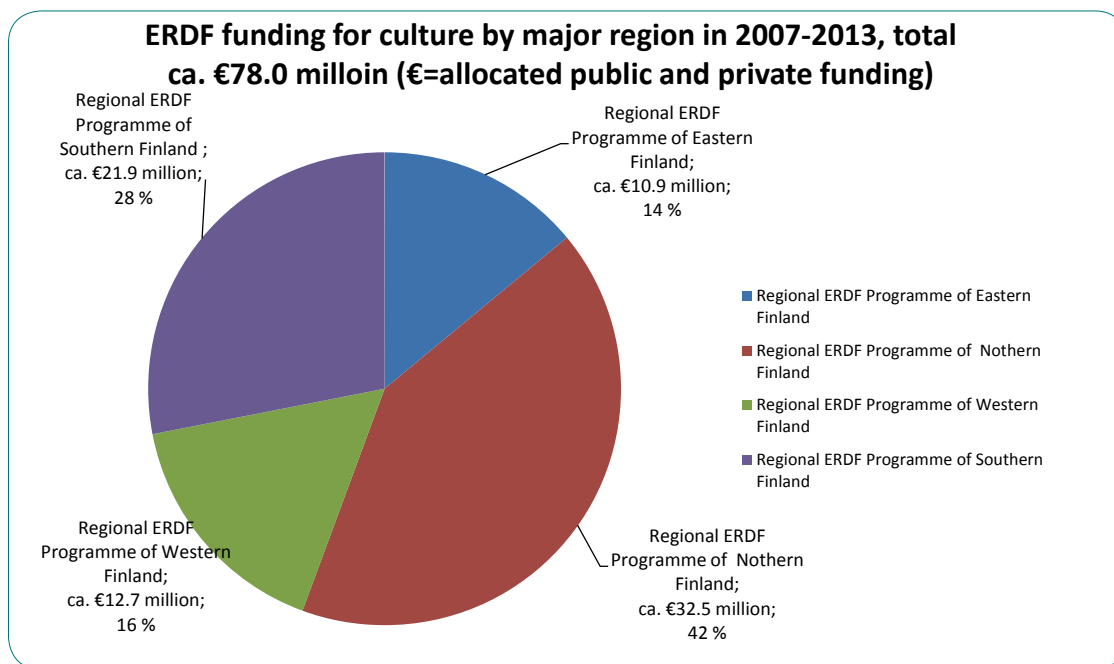


Figure 4. ERDF funding for culture by major region (situation in 12/2010)

⁴ http://www.stat.fi/til/klt/2007/01/klt_2007_01_2010-02-10_kat_001.html

Table 3. Share of cultural ERDF projects of overall funding by major region⁵ (in 12/2010)

Major region/ERDF programme	No. of cultural projects	Funding for culture (€)
Eastern Finland	34	10 845 292,00
Western Finland	39	12 721 716,00
Southern Finland	43	21 901 647,00
Northern Finland	47	32 545 879,00
Total	163	78 023 534,00

Similar to ESF projects, ERDF projects also receive the largest funding, in relative terms, from the Southern Finland major region programme (14%). The smallest share allocated to cultural projects is in Eastern Finland (6%). In ERDF projects, however, the role of the metropolitan area does not explain the large share of funding for cultural projects in Southern Finland, since especially Häme, Southeastern Finland and southwestern Finland have been key recipients of ERDF funding for culture in Southern Finland.

A comparison between ESF and ERDF funding for culture shows overall ERDF funding to be larger. The number of cultural projects carried out with ERDF funding is also larger. ERDF funding is often granted to projects involving infrastructure and the restoration of culture and cultural heritage (categorised as general cultural projects in this review). These projects are often larger in terms of funding.

3.3 Project implementers

This section examines project participants, focusing on implementers. The review is based on the type of organisation carrying out the project, which indicates whether projects are carried out in the public, private or third sector. The review of project implementers also provides insight into the territorial scope of activities, since a regional developer may rightly be considered to operate over a larger area than, say, a municipal player. Project implementers have been defined based on the organisation listed as the applicant in the project data, since they are the parties carrying out ongoing and finished projects. Project implementers are examined as a whole (n=292) and separately by ESF projects (n=129) and ERDF projects (n=163). (Figures 5, 6 and 7)

⁵ Funding data excluding business subsidies and funding granted by Tekes.

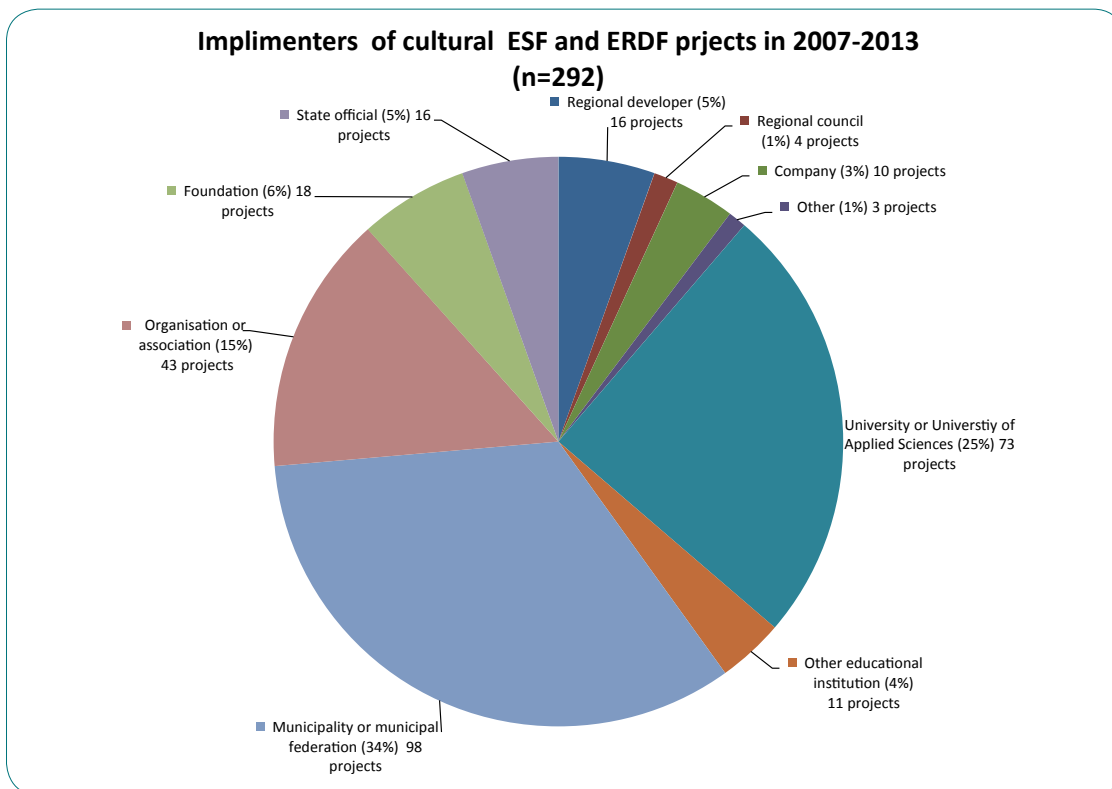


Figure 5. Implimenters of cultural projects by organisation type

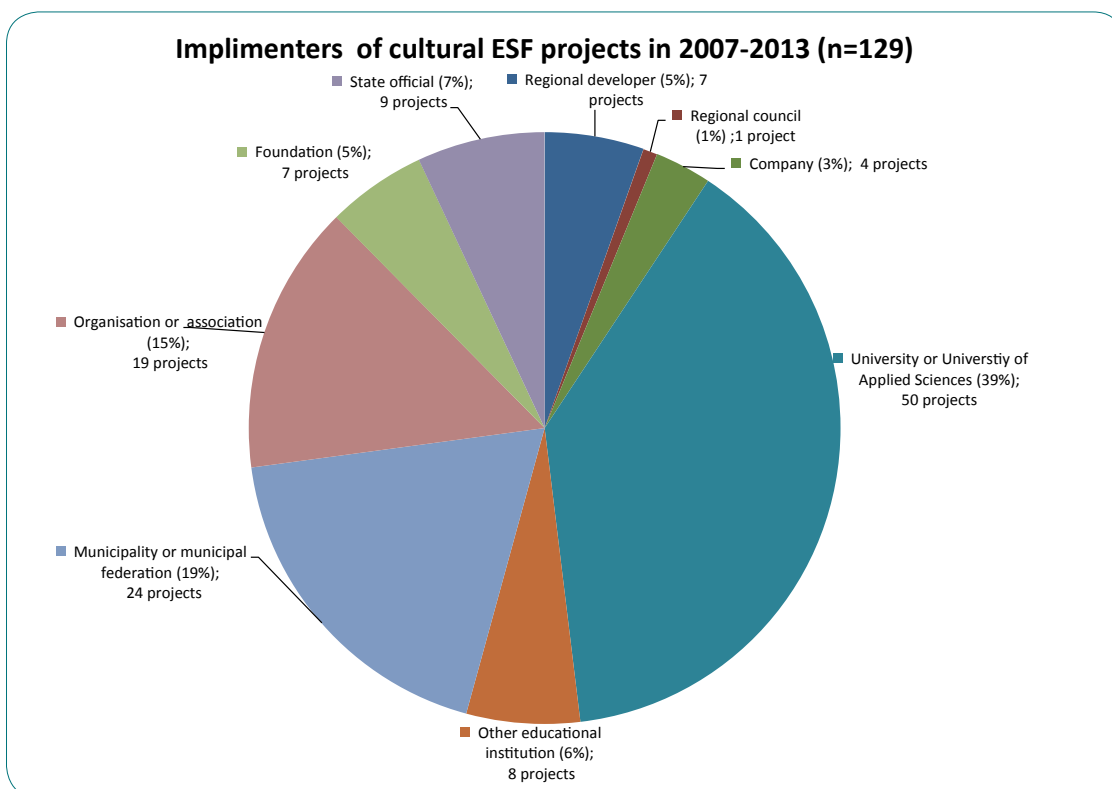


Figure 6. Implimenters of cultural ESF projects by organisation type

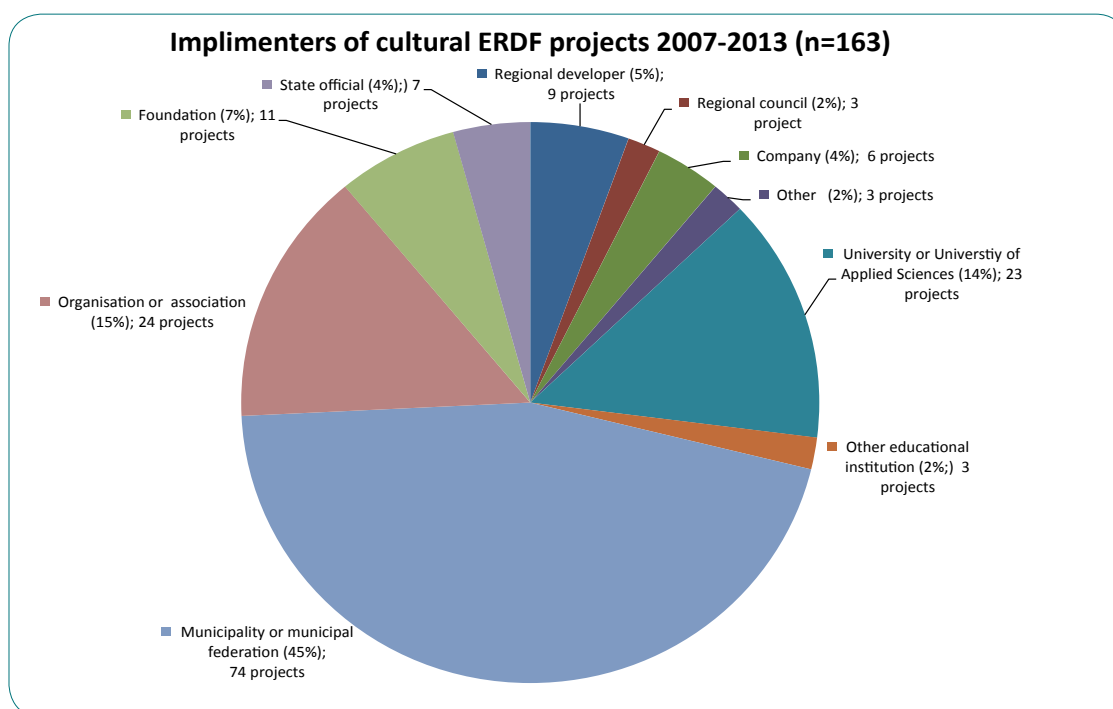


Figure 7. Implimenters of cultural ERDF projects by organisation type

3.4 Funding for culture by ELY region

Instead of major regions, the regional review of cultural projects is based on the more descriptive ELY regions, that is, the operating areas of the Centres for Economic Development, Transport and the Environment. Finland has 15 ELY Centres – and thus 15 ELY regions: South Ostrobothnia, South Savo, Häme, Southeast Finland, Kainuu, Central Finland, Lapland, Pirkanmaa, Ostrobothnia, North Karelia, North Ostrobothnia, North Savo, Satakunta, Uusimaa and Southwest Finland.

The projects were assigned to different regions based on the funding authority, ELY Centre or regional council. National ESF projects are presented as their own entity.

The assignment of ERDF projects to different ELY regions is also based on the funding framework in addition to the funding authority (ELY Centre or regional council).

The region was obvious when funding came from an ELY Centre. In cases where the funding party was a regional council, the region was converted into an ELY region. Since Finland has 18 regional councils, some of them had to be merged to mirror ELY regions: projects in Uusimaa and Eastern Uusimaa were merged into Uusimaa projects, projects in Häme and Päijät-Häme into Häme projects, projects in Ostrobothnia and Central Ostrobothnia into Ostrobothnian projects and projects in Kymenlaakso and South Karelia into South Karelian projects.

In the administrative branch of the Ministry of Education and Culture, ESF project funding is granted by ELY Centres and ERDF funding by regional councils. Projects in other administrative branches do not follow the same division in terms of funding parties. Thus, funding for ERDF projects is also granted by ELY Centres. For example, the ERDF-funded cultural environment projects treated as general cultural projects in this review come under the administrative branch of the Ministry of Agriculture and Forestry and therefore receive funding from ELY Centres.

Some ELY Centres do not handle environmental matters, for example, but instead transfer tasks related to such matters elsewhere in ELY. Because of this, the examination also takes into account the funding framework, which more accurately pinpoints the region targeted by project funding. For example, the Satakunta region is the target of four cultural environment projects funded by the ELY Centre in Southwest Finland. However, based on the funding framework the projects have been defined as Satakunta projects.

Figure 8 depicts the overall funding of cultural projects by ELY region. Overall funding is separated into ESF and ERDF funding, as well as ESF funding for national development programmes, which cannot be allocated to a specific region. Lapland has received clearly more cultural funding from Structural Funds than any other region. Most of this has been allocated from ERDF funds and can be partly explained by the large investment projects carried out in Lapland.

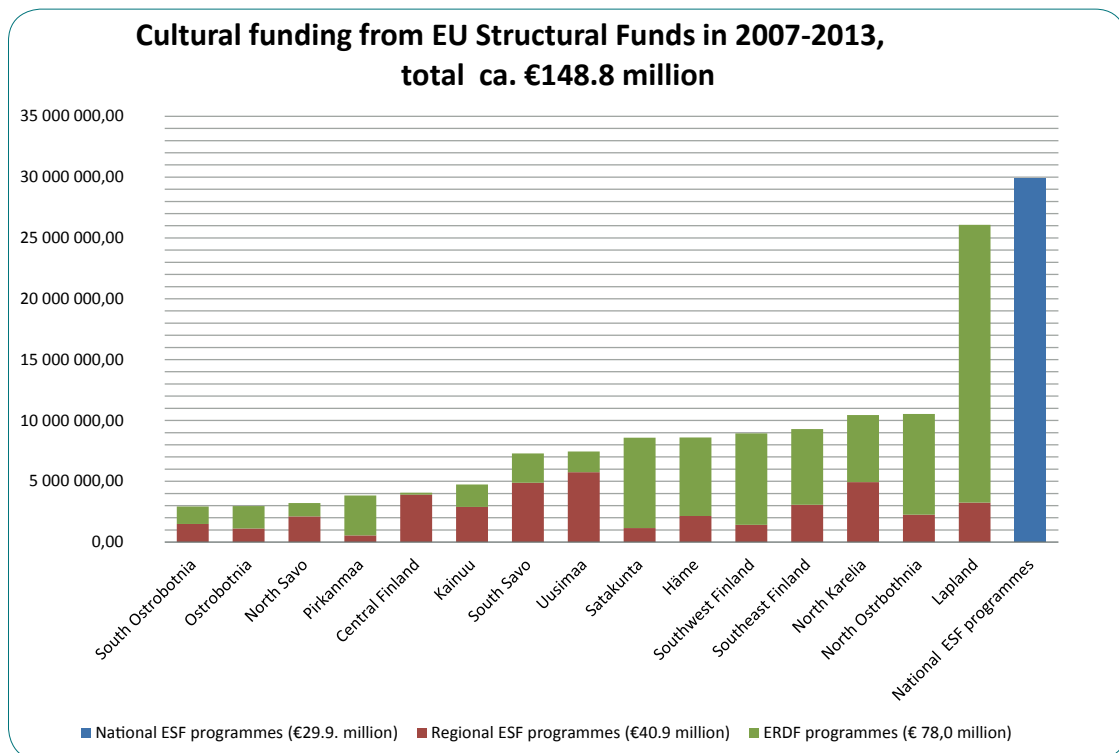


Figure 8. Overall cultural project funding by ELY region (in 12/2010)

3.5 Thematic review of cultural projects

The following examination focuses in greater detail on cultural projects based on the thematic categorisation explained in Table 1. The number of projects identified as cultural in nature totalled 282, and around one-third of them (114) involved the creative economy and cultural entrepreneurship. Cultural tourism projects accounted for the second largest group (83) and general cultural projects for the third largest group (59). Cultural well-being projects amounted to 36 in all. Figure 9 depicts the thematic distribution of cultural funding: the creative economy and cultural entrepreneurship, cultural tourism, culture and well-being, as well as general culture.

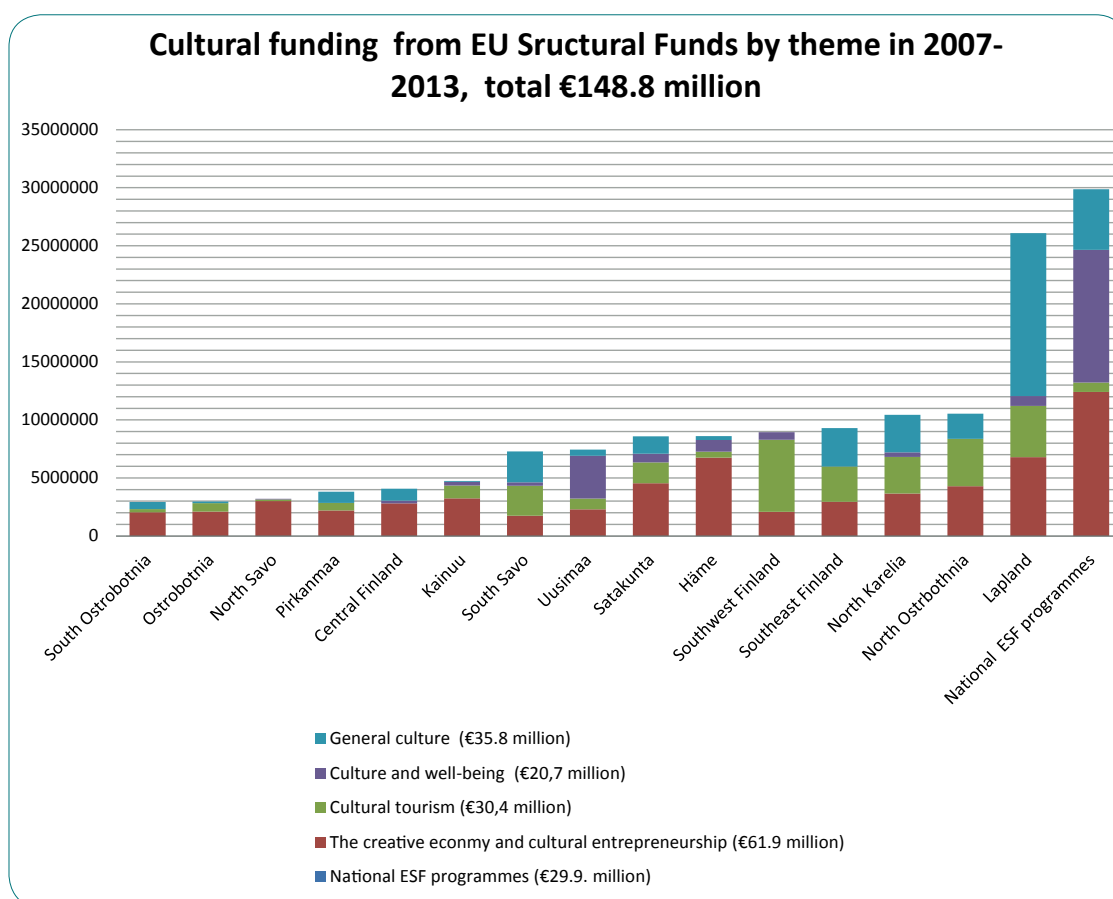


Figure 9. Overall funding for cultural projects by theme and ELY region (in 12/2010)

The creative economy and cultural entrepreneurship is also the largest thematic group in terms of the funding allocated to it (€61.9 million). While there are more cultural tourism projects than general culture projects, the funding allocated to the latter (€35.8 million) exceeds that allocated to cultural tourism (€30.4 million). This is explained by the few large investment projects mainly targeting Lapland.

3.5.1 Development projects in the field of the creative economy and cultural entrepreneurship

A total of 114 projects were identified as creative economy and cultural entrepreneurship projects. Of these, 66 were ESF and 48 ERDF projects. Eighteen of the ESF projects were funded through national development programmes (mainly through the programme for business growth and internationalisation in the creative industries) and 48 through regional programmes.

The overall funding allocated to projects categorised under the theme of creative economy and cultural entrepreneurship totalled some €61.9 million. It was divided nearly evenly between the two Structural Fund programmes, with funding for ESF projects totalling some €34.9 million (56%) and ERDF projects for some €27.1 million (44%). Funding for national development programmes (€11.4 million) accounted for around one-third of all ESF funding for the creative economy and cultural entrepreneurship. Figure 10 depicts the regional distribution of creative economy and cultural entrepreneurship funding. The ESF funding targeting all of mainland Finland, except for Eastern Finland, allocated through national development programmes is shown as a separate pillar on the right.

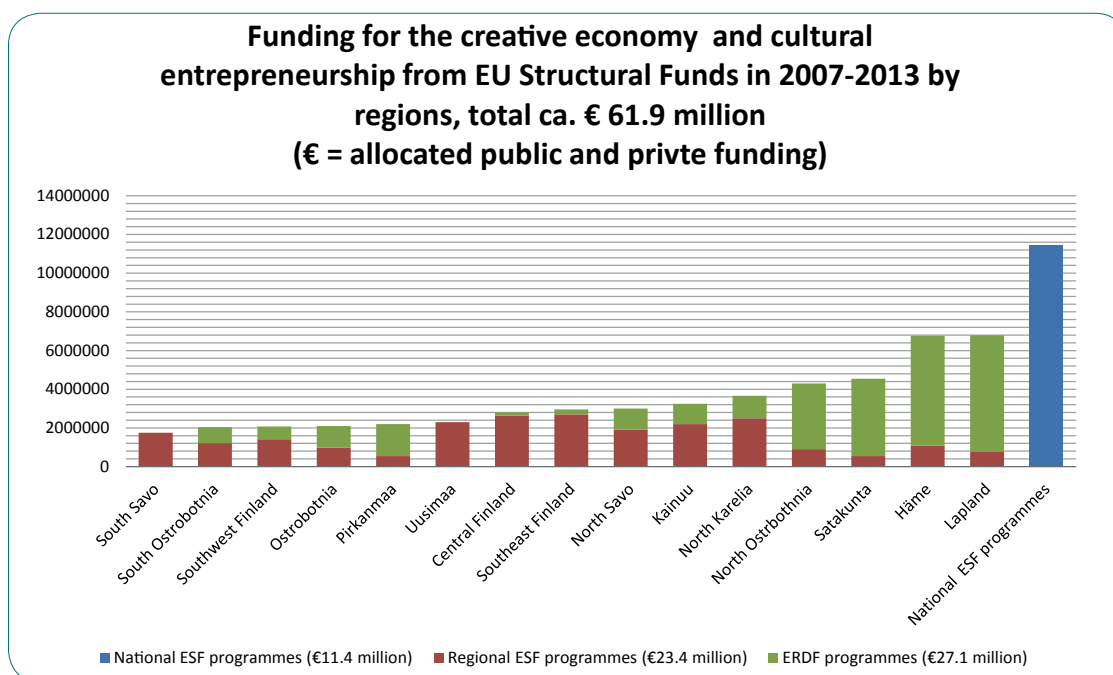


Figure 10. Overall funding for the creative economy and cultural entrepreneurship by ELY region (in 12/2010)

Project activities in the field of creative economy and cultural entrepreneurship are funded in all 15 ELY regions. The largest amount of funding in the field is allocated to projects carried out in Lapland, Häme, Satakunta and North Ostrobothnia. The shares of ESF and ERDF funding differ regionally. For example, regions receiving the largest overall funding show a relatively large share of ERDF funding.

Creative economy and cultural entrepreneurship projects were further categorised based on their field of art and culture, as well as by the field of culture the development measures primarily targeted.

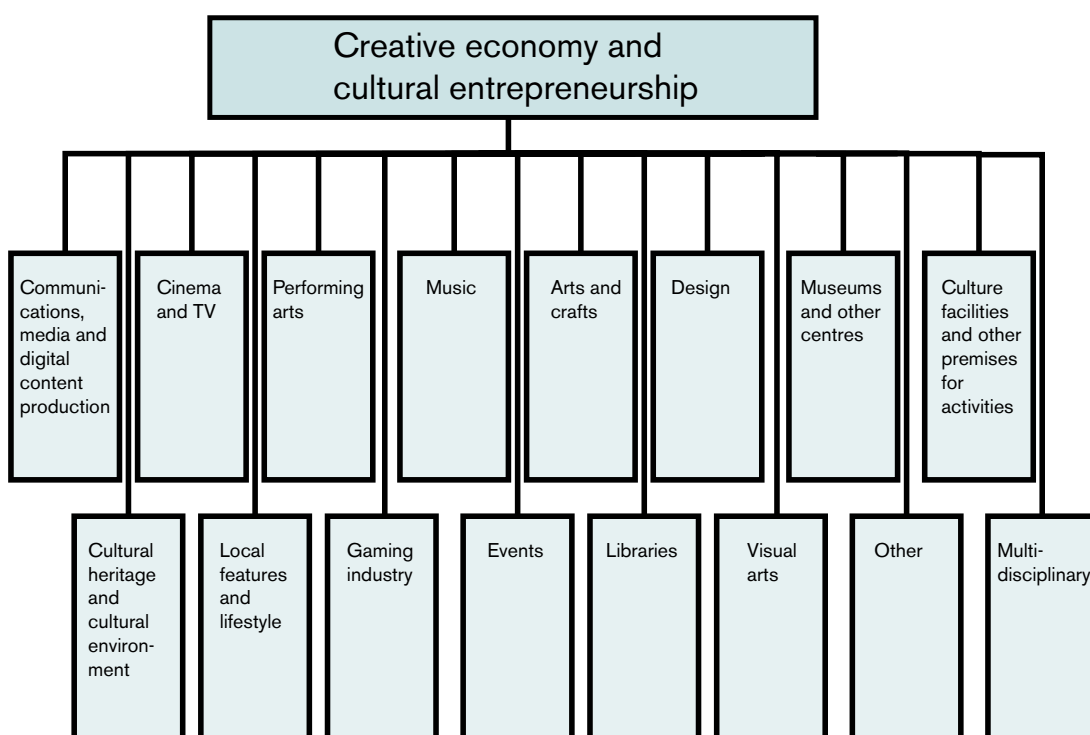


Figure 11. Categorisation of creative economy and cultural entrepreneurship projects based on their field of art and culture

The categorisation is based on the projects identified for this survey, which is why the categorisation does not include creative industries that none of the development programmes targeted. For example, no projects specifically focused on developing the art and antiques trade, which is why they are not listed as a separate category. Sports and adventure tourism, often included in the creative industries, are excluded from this review. The “Other” category includes projects that develop a specific culture sector but of which only one or two were found in the material. Among creative economy and cultural entrepreneurship projects, such sectors included children’s culture and environmental art.

Communications, media and digital content production refer to digital content production carried out in the field of communications. Content production related to cinema, TV and the gaming industry belongs to categories under these sectors. The field of music comprises everything from classical to popular music. However, development programmes clearly related to events, including music events, are categorised under Events. Arts and crafts projects focus on unique products, while design projects involve industrial design. The performing arts include projects related to theatre, dance and circus. Projects categorised as multidisciplinary in nature are of the kind which do not focus on developing a single culture sector but the creative industries in general.

Figures 12 and 13 show the distribution of ESF funding and ERDF funding between different fields of art and culture. Both funds have allocated the largest sums for multidisciplinary projects. This leads to the conclusion that the development of the creative economy and cultural entrepreneurship often targets the whole field instead of a single sector.

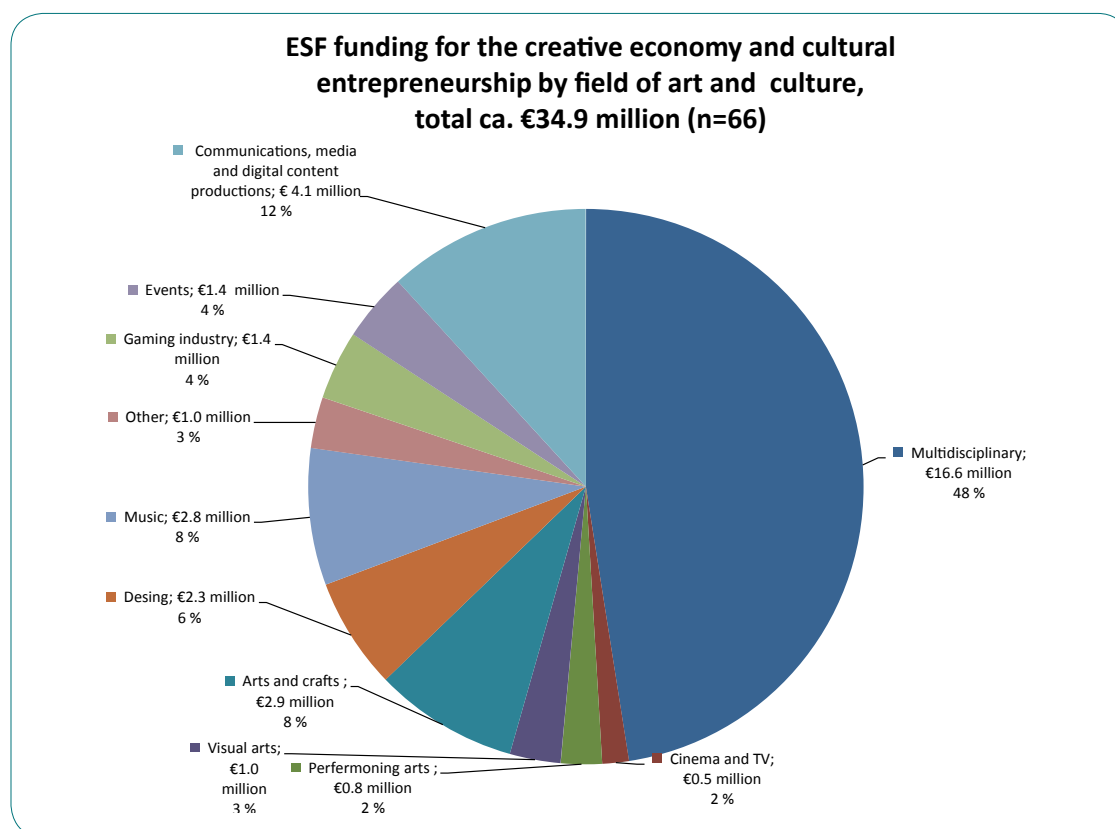


Figure 12. ESF funding for the creative economy and cultural entrepreneurship by field of art and culture 2007–2013 (in 12/2010)

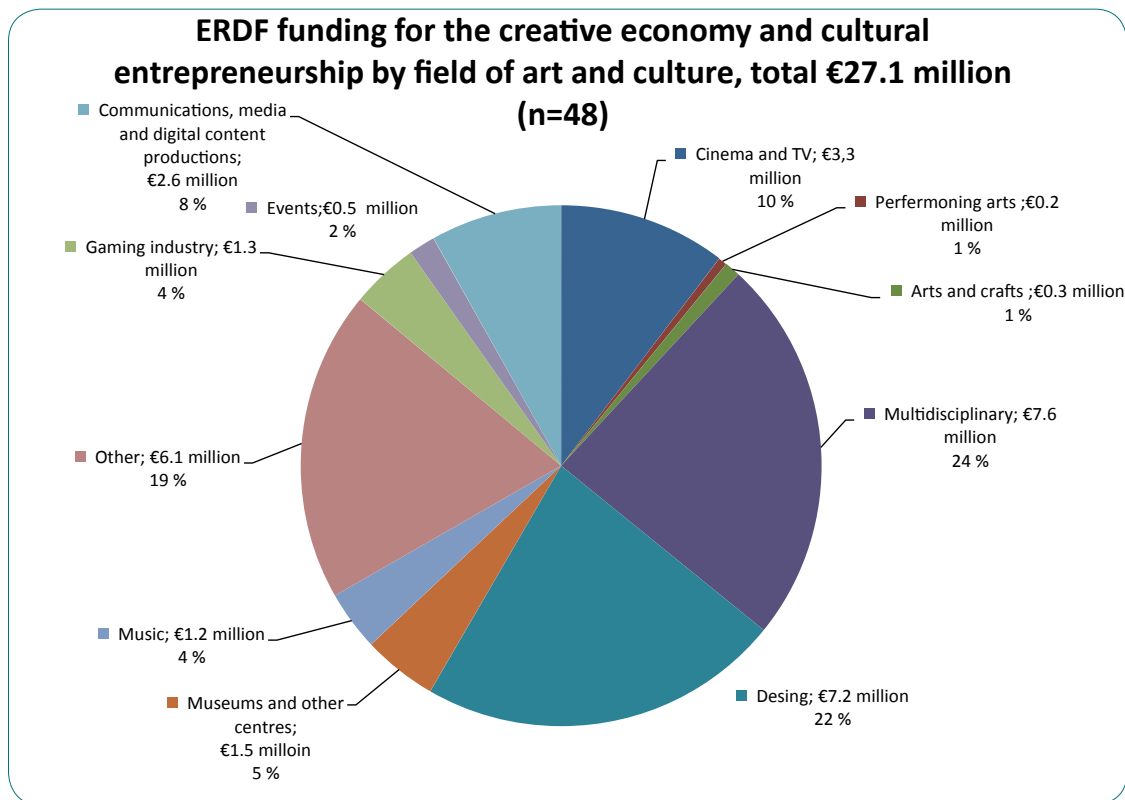


Figure 13. ERDF funding for the creative economy and cultural entrepreneurship by field of art and culture 2007–2013 (in 12/2010)

In addition to their field of art and culture, projects were categorised by their development measure (Figure 14).

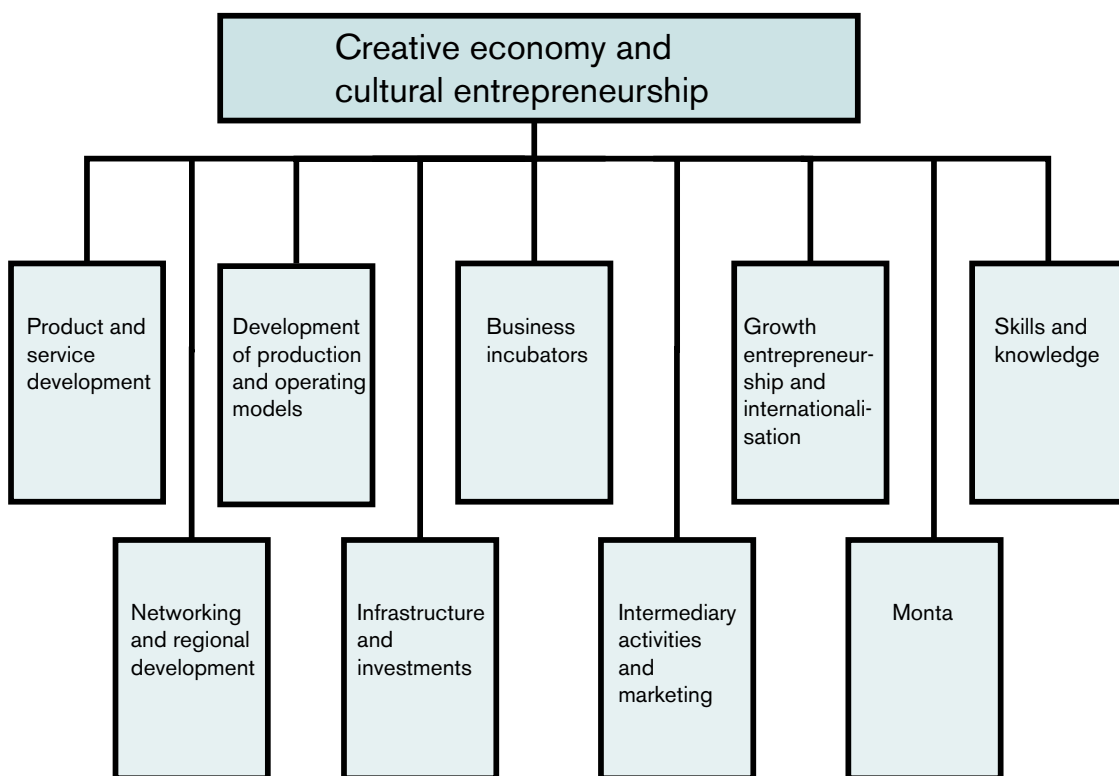


Figure 14. Categorisation of creative economy and cultural entrepreneurship projects by the field or measure of development

Of the fields and measures of development used in this survey, those clearly targeting the business of the company or other player involved include product and service development, as well as the development of production and operating models. In the case of creative economy and cultural entrepreneurship projects, the latter refers to the development of existing operations in a business-oriented direction. Business incubators are development activities that support entrepreneurship, while growth entrepreneurship, which often involves internationalisation, comes under business expansion activities.

Support measures for the creative economy and cultural entrepreneurship also include competence development, networking and regional development, as well as infrastructure development and investments. Competence development refers to research and education related to expertise and business skills in the field. Networking and regional development aim to create and improve operating conditions for the creative economy using different forms of cooperation. ERDF-funded infrastructure and investment projects involving the creative economy and cultural entrepreneurship aim to improve the material operating conditions of companies and business activities, for example, through equipment purchases and the renovation of facilities. This business purpose distinguishes infrastructure projects in the creative industries from those in general cultural projects.

Furthermore, creative economy and cultural entrepreneurship projects develop intermediary operations and marketing closely related to them. While intermediary activities are often related to growth entrepreneurship, in projects they are usually linked to marketing and sales development. In some of the projects, the field of development is difficult to determine and name, since no primary field could be identified. Thus, the categorisation is largely based on prioritisation differences, and if no single development measure rises above others, the project is categorised as one involving several fields of development.

Figures 15 and 16 depict the distribution of creative economy and cultural entrepreneurship projects depending on their field of development. For both ESF and ERDF projects, clearly the largest sums of funding were allocated to measures supporting the creative economy, such as networking and the development of competence and the business environment. Projects that involve several fields and aim to develop, say, both products and services, as well as the general business environment, were numerous in the survey material. Funding allocated to projects focusing solely on the development of products and services or operating models amounted to some 15 per cent of the overall funding in each fund. Business incubator projects, projects supporting business growth, as well as projects developing intermediary activities were mainly funded by the ESF. Infrastructure and investment projects, in turn, were only funded by the ERDF.

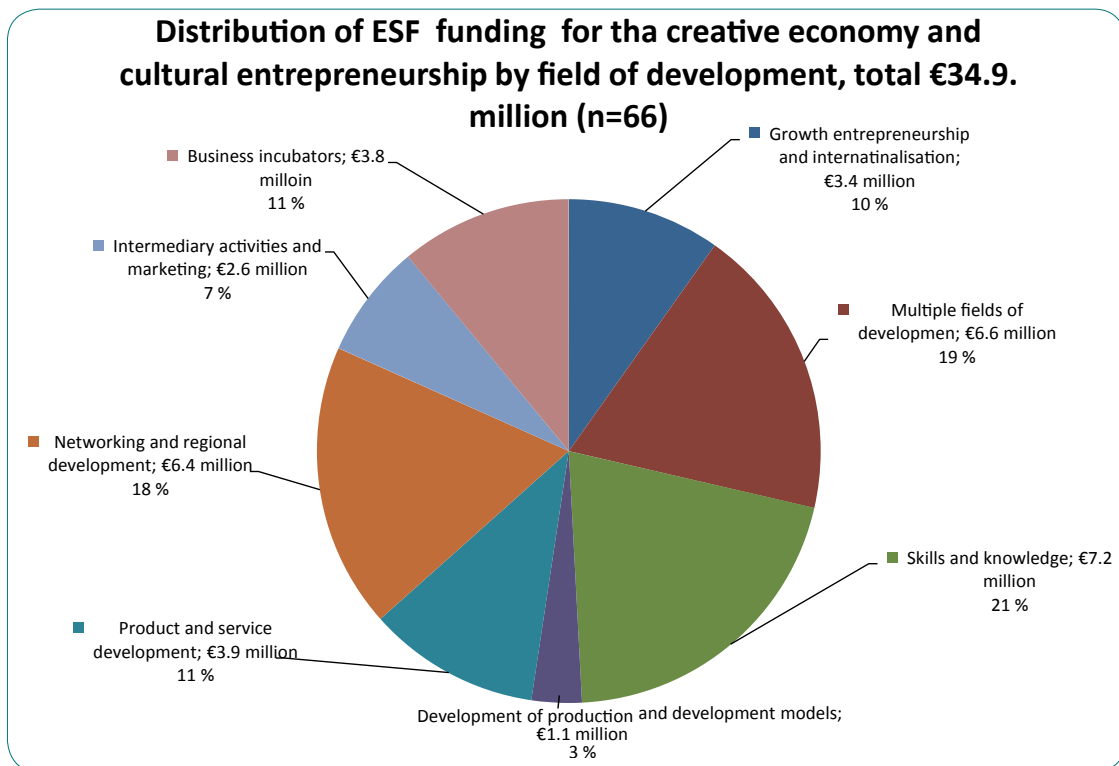


Figure 15. ESF funding for the creative economy and cultural entrepreneurship by field of development 2007–2013 (in 12/2010)

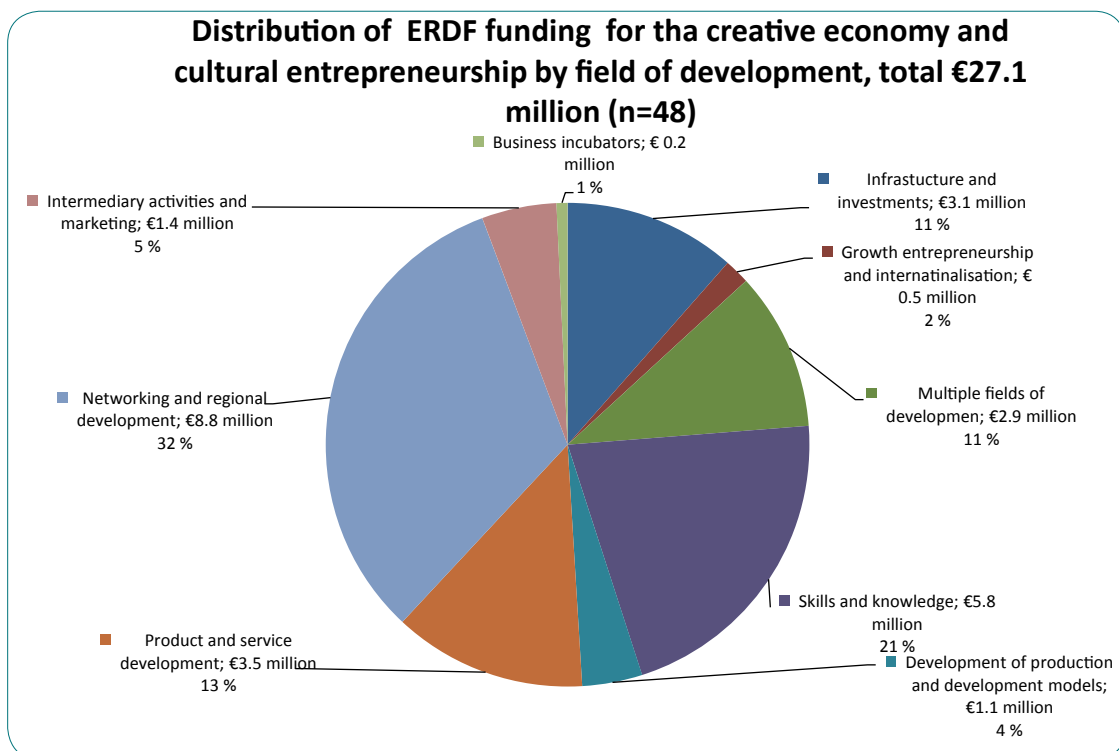


Figure 16. ERDF funding for the creative economy and cultural entrepreneurship by field of development 2007–2013 (in 12/2010)

Cultural projects in the Rural Development Programme for Mainland Finland

Summary in English

1 Introduction

The European Agricultural Fund for Rural Development is one channel used to fund the development of cultural activities in rural areas. Commissioned by the Rural Policy Committee's Culture Theme Group, Laura Pekkala, student of social sciences, conducted a survey of cultural projects supported by the Agricultural Fund in 2007–2013.

The Fund has allocated a total of €2,155 million to Finland for the period stretching from 2007 to 2013. The development strategy proposes that this sum be distributed between the rural development programmes for mainland Finland and the Åland Islands so that mainland Finland receives €2,137 million. In addition to EU funding, the programme will also receive national funding, which may include state and municipal support. Preliminarily, the overall amount of public funding for the Rural Development Programme for Mainland Finland totals €6,766 million. In addition, private funding is estimated to total €1,051 million. The programme's overall expenses will thus amount to €7,817 million.⁶

This English-language summary describes the fields of culture and development themes that the projects target. The themes include 1) the creative economy, 2) cultural tourism, 3) cultural well-being and 4) general culture. Projects in which culture is one of several targets of development were excluded from this survey. The survey material consists of projects found in the Ministry of Agriculture and Forestry information systems (Hanke2007) in October 2010. The review is based on the overall funding allocated to each project, consisting of public (EU, state, municipal, other public sector) and private funding. The allocated sums represent the situation at the end of 2010. Midway in the project period, there is still project funding that remains to be allocated.

⁶ www.maaseutu.fi

Thematic distribution of project funding

Cultural projects were thematically categorised as explained in the following table.

Table 1.

Creative economy and cultural entrepreneurship	• Business involving the creative industries and culture, cultural entrepreneurship, commercial products and services, establishment of operating conditions for the creative industries including, for example, networking
Cultural tourism	• Projects which improve the prerequisites for and operating environment of cultural tourism, as well as competence in the field, or which develop tourism products and services. • Cultural projects that involve cooperation with the tourism sector (e.g., applied art and design and tourism), as well as tourism projects that clearly involve cultural elements. • Creative economy projects that include measures clearly related to tourism.
Culture and well-being	• Projects in which culture promotes participation, communal spirit, identity and creative everyday activities. • Projects in which culture functions as a part of the social and health sector and projects that promote well-being at work with cultural measures.
General culture	• Projects that preserve, mediate and restore cultural heritage and cultural environments and that enhance related competence without obvious goals involving the creative economy or cultural tourism. • Projects that organise cultural activities or develop favourable conditions for them without financial or tourism-related objectives.
Multidisciplinary projects	• Projects in which culture is developed indirectly or as part of the development of another sector.

A total of 498 culturally oriented rural projects were identified in the project material (n=1,780). Their total funding allocated by the public sector (EU, state, municipalities, other public sectors) and by the private sector totalled around €32,764,000 at the end of October 2010. The projects funded by the Rural Development Programme for Mainland Finland averaged €66,000 in size. In this respect, rural projects are quite small compared to cultural projects receiving funding from the EU's Structural Funds. However, the financial size of projects does not directly indicate their impact. In fact, projects with smaller budgets may exert great local impacts.

Thematic review of rural cultural projects

The Rural Development Programme for Mainland Finland funded cultural projects to the total of €33 million (498 projects).

The following table and figure present the funding and percentage shares of projects, as well as the number of projects.

**Cultural project funding from the Rural Development
Programme for Mainland Finland, total ca. €33 million
(498 projects)**

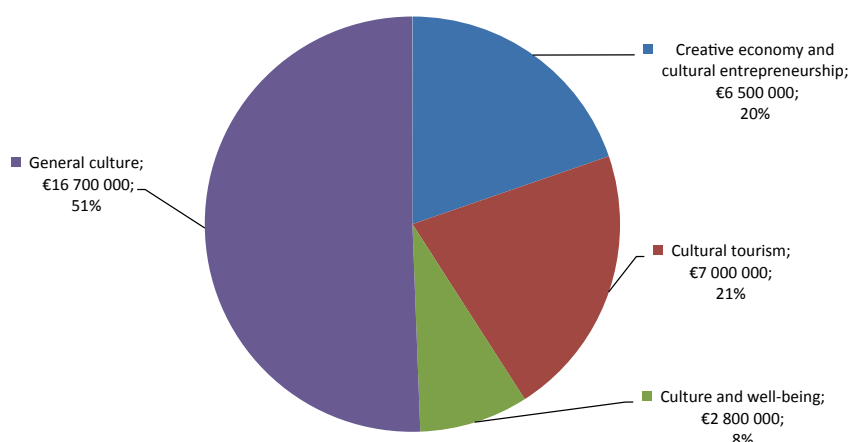


Figure 17. Cultural project funding from the Rural Development Programme for Mainland Finland by development theme.

Table 2.

Theme	Funding (€)	Projects (no.)	Average size of project (€)
Creative economy	6,452,200	94	68,600
Cultural tourism	7,037,300	87	80,900
Culture and well-being	2,798,500	35	80,000
General culture	16,475,800	282	58,400
Total	32,763,800	498	65,800

Number of projects by region

Table 3.

ELY region	Funding (€)	Projects (no.)	Average size of project (€)
South Ostrobothnia	4,492,900	45	99,800
Ostrobothnia	4,087,900	61	67,000
Satakunta	3,178,500	57	55,800
Pirkanmaa	2,750,200	48	57,300
Central Finland	2,574,500	27	95,400
North Karelia	2,298,000	37	62,100
Lapland	2,206,700	26	84,900
Southwest Finland	2,095,000	36	58,200
Uusimaa	1,873,700	25	74,900
North Ostrobothnia	1,711,400	32	53,500
Häme	1,543,000	32	48,200
Kainuu	1,511,400	21	72,000
North Savo	887,700	18	49,300
South Savo	836,400	17	49,200
Southeast Finland	716,500	16	44,800
Total	32,763,800	498	65,800

Conclusions

**Culture in the EU's Structural Fund Projects and
in the Rural Development Programme for Mainland Finland**

Identifying cultural projects from the large amount of information contained in different project systems involved hard work, since culture is involved in the operating policies of several programmes, as well as in projects funded by various parties. Measures targeting culture may also be involved in projects that mainly focus on developing other sectors, such as tourism. The survey data was collected from the EURA2007 system and the information system of the Ministry of Agriculture and Forestry and the Agency for Rural Affairs (Hanke2007).

In terms of money, the European Regional Development Fund provides the bulk of support for cultural projects, seeing as its funding accounts for over 40 per cent of all projects. National and regional European Social Fund project support totals slightly less than 40 per cent in all. Support provided by the Rural Development Programme for Mainland Finland is smaller in terms of funding (16%), due to the small size of projects. However, the relative value that these projects have to local operators may often far exceed that of funding.

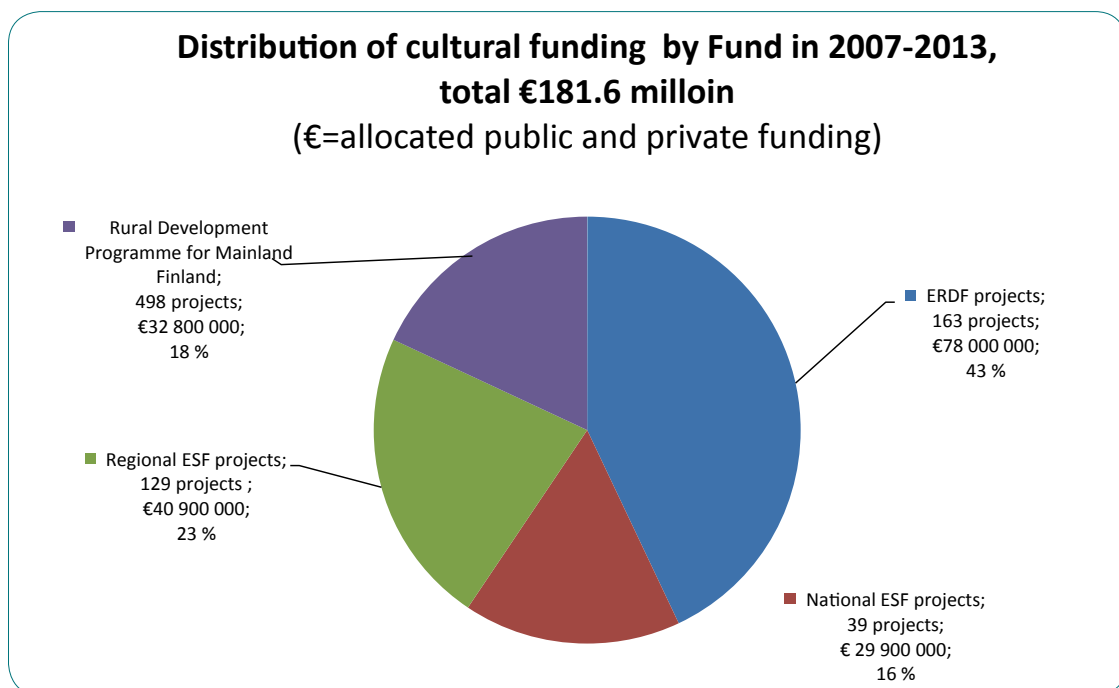


Figure 18. Distribution of cultural funding by Fund

The survey indicates that funding from the EU's Structural Funds and the European Agricultural Fund for Rural Development is distributed quite equally around Finland, with the exception of the two extremes. The share of project funding usually corresponds to the manner in which the region has taken culture into account in its strategies, for example, in its regional programme. Project funding is partly used to compensate for state funding in different regions. When analysing the distribution of funding, it should be kept in mind that Eastern Finland has access to more funding from structural fund programmes than the rest of Finland.

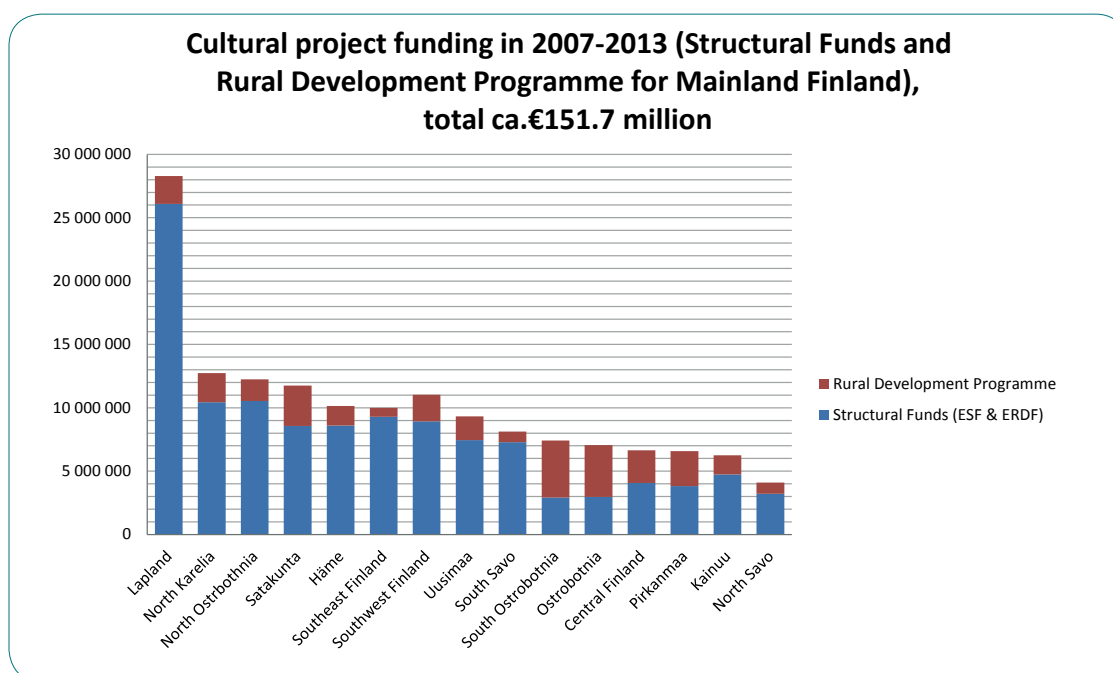


Figure 19. Overall funding for cultural projects from Structural Funds and the Rural Development Programme for Mainland Finland. The shares of funds are shown separately. Funding from national ESF development programmes is not included.

EU Structural Fund programmes

The EU Structural Fund programmes often emphasise projects involving the creative economy and cultural entrepreneurship: they are the main theme for which funding has been allocated. However, there are slight differences in prioritisation between different regions, with general culture and cultural tourism also receiving a great deal of funding in a few regions. Some of the projects aim to find new solutions to developing the culture sector. The content of projects should, however, be analysed in greater detail to draw clearer conclusions about the real impact of projects.

Owing to their size, Structural Fund projects are well suited to implementing national and regional strategic policies. However, national and regional ESF and ERDF projects may not always have sufficient connections between one another.

There has been a clear demand for national projects, and they can often be used to implement nationally significant measures. Regional projects often complement one another, but they may also involve overlapping measures. There is still room for closer cooperation between both national and regional activities.

A significant share of ESF projects is carried out by Universities and Universities of Applied Sciences, while most of the ERDF projects are implemented by municipalities and federations of municipalities. What stands out is that actual cultural players account for a very small share of project implementers. However, many projects targeting educational organisations have been implemented within the scope of cultural education, while projects carried out by municipalities and municipal federations usually have a contact interface with cultural players. The current structure of project activities, including payment procedures, has often made it difficult for small cultural players to act as the main implementer of projects. It would be important, in the future, to find ways to support the involvement of small cultural players in projects.

Rural Development Programme for Mainland Finland

Measures to improve the quality of rural life, adopted in the context of the Rural Development Programme for Mainland Finland, aim to ensure an inviting and unique rural environment that supports the region's social and economic development by making use of its natural and cultural heritage. Development measures targeting rural cultural and natural heritage are based on the strengths of the countryside and offer it added value. Maintaining cultural and natural landscapes, as well as built-up environments, in rural areas strengthens the region's identity, makes the countryside a more comfortable place to live in and increases the region's attractiveness as a travel destination. Displaying and utilising local history and culture also boosts collaboration and solidarity among rural residents.

Most of the programme's projects represent "traditional" culture, such as arts and crafts, cultural tourism and events. New operating models and initiatives are few in number. Project applicants could be encouraged to more actively search for new, pioneering approaches.

Based on the survey material, different ELY regions fund different themes. For example, creative economy and cultural entrepreneurship projects are funded primarily in the Uusimaa, Central Finland, North Karelia, North Ostrobothnia and Pirkanmaa ELY regions. In Southwest Finland, these projects account for a surprisingly small share. Southeast Finland allocates the least amount of funding to the creative economy and cultural entrepreneurship. Cultural tourism, in turn, plays the biggest role in Lapland and Kainuu, and the smallest in Central Finland and North Karelia.

From the perspective of cultural and art policy, the objectives of rural development projects differ from those of, say, Structural Fund projects. The latter are often linked to objectives defined in national and regional strategies and programmes. The implementation of rural development projects is based on the needs and conditions of local people. The goal is to improve rural residents' quality of life, which also involves culture, rather than follow national art and cultural policies.

However, to ensure the impact and continuity of projects, it would be important for national art and cultural policies and the needs of local players to meet. In some cultural projects, development should be seen as a process rather than a project.

Centres for Economic Development, Transport and the Environment

Regional division and offices

Regional division

15 regions of operation

Lapland
Kainuu
North Karelia
Ostrobothnia and Central Ostrobothnia
South Ostrobothnia
Central Finland
North Savo
North Karelia
South Savo
Pirkanmaa
Satakunta
Southwest Finland
South Karelia and Kymenlaakso
Kanta-Häme and Päijät-Häme
Uusimaa and East Uusimaa

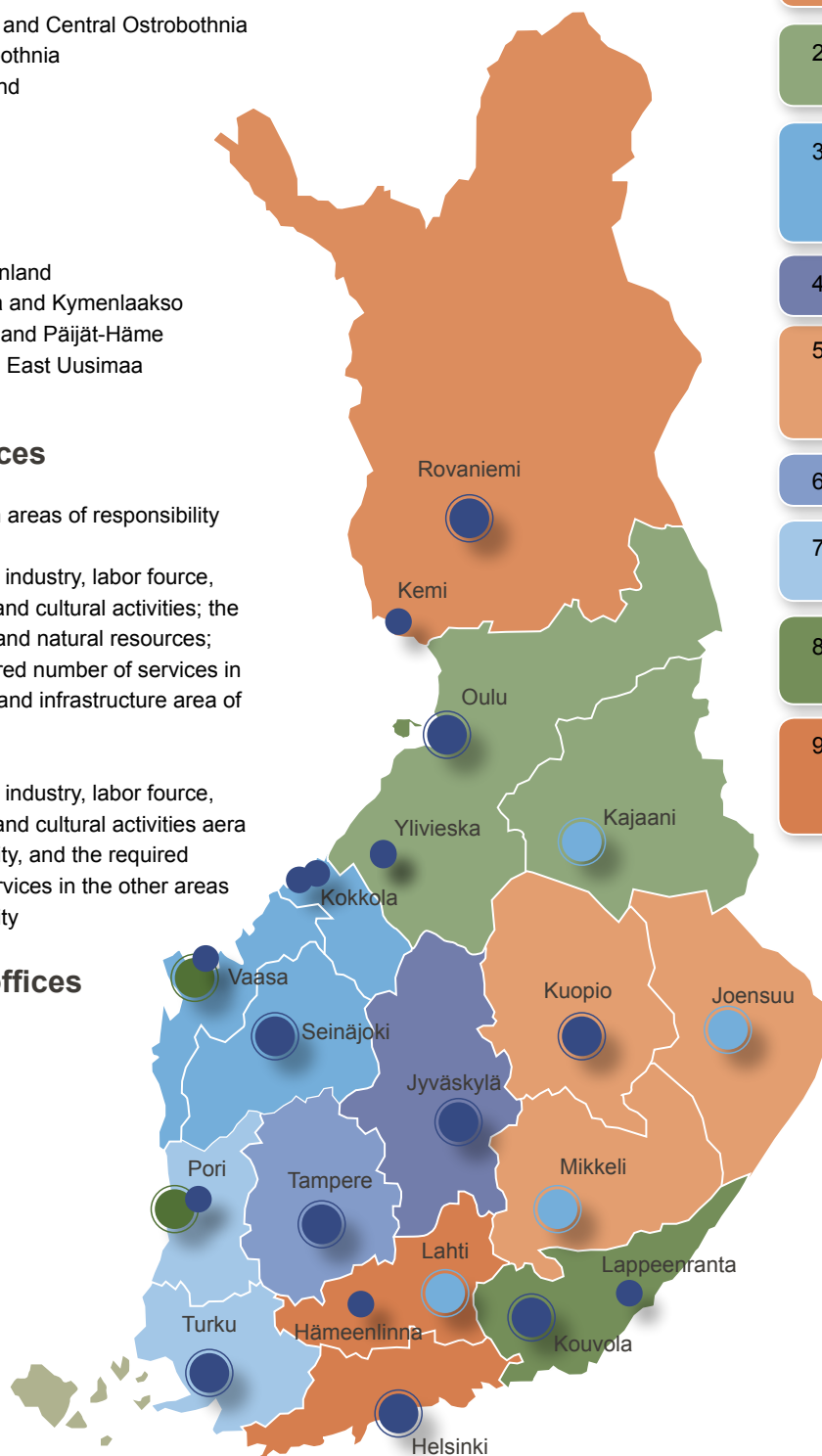
Main offices

-  All three main areas of responsibility
-  Business and industry, labor force, competence and cultural activities; the environment and natural resources; and the required number of services in the transport and infrastructure area of responsibility
-  Business and industry, labor force, competence and cultural activities area of responsibility, and the required number of services in the other areas of responsibility
-  **Branch offices**

Further division in regions

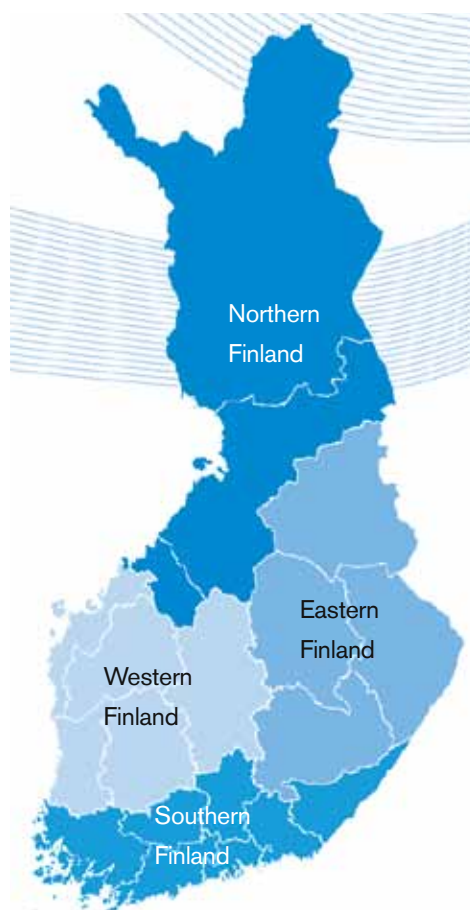
9 operational regions

1. Lapland
2. North Ostrobothnia and Kainuu
3. South Ostrobothnia, Ostrobothnia and Central Ostrobothnia
4. Central Finland
5. North Savo, North Karelia and South Savo
6. Pirkanmaa
7. Satakunta and Southwest Finland
8. South Karelia and Kymenlaakso
9. Uusimaa, East Uusimaa, Kanta-Häme and Päijät-Häme



Appendix 2.

Major regions (NUTS 2) for EU Structural Funds



Opetus- ja kulttuuriministeriön julkaisuja -sarjassa vuonna 2012 ilmestyneet

- 1 Koulutus ja tutkimus vuosina 2011–2016; Kehittämissuunnitelma
- 2 Utbildning och forskning 2011–2016; Utvecklingsplan
- 3 Education and Research 2011–2016; A development plan
- 4 Suomen kansainvälinen yhteisjulkaiseminen
- 5 Tehostettua ja erityistä tukea tarvitsevien oppilaiden opetuksen kehittäminen 2007–2011; Kehittävän arvioinnin loppuraportti.
- 6 Lapsi- ja nuorisopolitiikan kehittämisohjelma 2012–2015
- 7 Barn- och ungdomspolitiskt utvecklingsprogram 2012–2015
- 8 Child and Youth Policy Programme 2012–2015
- 9 Toiminta- ja taloussuunnitelma 2013–2016
- 10 Hitaasti mutta varmasti? Saavutettavuuden edistyminen yliopistoissa ja ammattikorkeakouluissa 2000-luvulla
- 11 Kulttuurihankkeet EU-ohjelmissa; Kulttuuri Euroopan rakennerahastohankkeissa sekä Manner-Suomen maaseutuohjelman hankkeissa kaudella 2007–2013
- 12 Kestääkö osaamisen pohja – PISA 2009 Suomessa
- 13 Sport and Equality 2011
- 14 Koulutuksen arviointisuunnitelma vuosille 2012–2015
- 15 Utvärderingsplan för utbildningen 2012–2015
- 17 The National Policy Programme for Older People's Physical Activity; Health and well-being from physical activity
- 18 Finnish research organizations' publications and citations in the Web of Science, 1990–2009
- 19 International co-publishing in Finland
- 20 Liikuntatoimi tilastojen valossa; Perustilastot vuodelta 2010
- 21 Yliopistolakiuudistuksen vaikutusten arviointi
- 22 Korkeakoulutettujen jatkokoulutuksen haasteet ja ehdotus järjestelmän kehittämiseksi – KYTKÖS-hanke
- 23 Kirjastot ja media 2012; Selvitys mediakasvatuksen tilasta yleisissä kirjastoissa
- 24 Opetus- ja kulttuuriministeriön vuosikatsaus 2011
- 27 Valtakunnalliset erikoismuseot; Selvitys erikoismuseojärjestelmän tilasta ja tulevaisuudesta
- 28 Osaava -ohjelman käynnistysvaiheen arviointi 2010–2011. Kehittämishankkeiden itsearviointeja ja hyviä käytänteitä
- 29 Perusopetuksen laatukriteerit. Perusopetuksen, aamu- ja iltapäivätoiminnan sekä koulun kerhotoiminnan laatukriteerit
- 30 Kvalitetskriterier för den grundläggande utbildningen. Kvalitetskriterier för den grundläggande utbildningen, morgon- och eftermiddagsverksamheten inom den grundläggande utbildningen och för skolans klubbverksamhet
- 32 Kulttuuria kartalla; Valtion osarahoittamien kulttuuripalvelujen sijainti ja kulttuurin kustannukset Suomen kunnissa



Opetus- ja kulttuuriministeriö
Undervisnings- och kulturministeriet
Ministry of Education and Culture
Ministère de l'Éducation et de la culture



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