

**CREADIS3**  
Interreg Europe



# **CREADIS3: REPORT ON TERRITORIAL DIAGNOSIS. BASQUE COUNTRY**



**Regional Government  
of the Basque Country**

**June 2018**

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# 1/ GENERAL INTRODUCTION

## 1.1. The project

**CREADIS3 Smart Specialisation Creative Districts** is a collaborative project addressing the issue of innovation that drives territorial development through non-technological forms of innovation such as Cultural and Creative Industries (CCIs), under the Smart Specialisation strategy guidelines and reinforcing the territorial and regional ecosystems. It has been funded by the cooperation program INTERREG Europe (ESIF fundings). It is revolved around 2 priority subjects:

- To improve institutional governance.
- To strengthen the contribution of CCIs to regional development.

It gathers six European partners, sharing best practices and lessons learnt from their local experiences:

- The Regional Government of the Basque Country.
- The Regional Council of Central Finland.
- Emilia Romagna Region.
- Public Service of Wallonia.
- The Ministry of Culture of the Slovak Republic.
- The Region of Western Greece.

The project started in January 2017, and will end at the end of the year 2021. It has a 1,462,700 euros budget.

The main objective of CREADIS3 is to **align territorial public policy agendas to support the development of more efficient CCI policies** in territories aiming to generate innovation and economic development in European regions.

The Regional Initiative for Culture and Creativity network (RICC), driven by 24 EU regional Brussels delegations and co-chaired by the Basque Government, Emilia-Romagna and Friuli Venezia Giulia, is the CREADIS3 project promotor. The network detected the need and the opportunity to work and put in place a common project underlining the CCIs, the S3 and the territorial strategies and innovation. RICC provides regional governments with a common platform which main objectives are to advocate on cultural and creative regional policies, to participate in EU funding programs and to work under the “S3” guidance.

## 1.2. The Basque Government and the project

The Autonomous Community of the Basque Country is the lead partner of the consortium, and he managed the design of the CREADIS3 project in collaboration with the five aforementioned territories.

As a partner, the Basque Government set a central objective to pursue within the project's activities: to implement a common regional and territorial strategy of economic development and R&I initiatives, actions and measures for the development of the CCIs, shared by the three institutional levels within the Region Initiatives.

Culture, creativity and the CCIs are recognised by the Basque Country as a source of economic growth with a high potential for local and regional development. The **Basque Country Smart Specialisation Strategy**, in line with the Basque Country Research and Innovation Strategy (PCTI Euskadi 2020) has already identified CCIs, culture and creativity as niches of opportunity. When it comes to establishing effective systems of governance of creativity, science, technology and innovation, global trends are evolving into multilevel approaches able to combine different public and private actors. These multilevel approaches are needed to successfully keep the concept of “a smart specialisation strategy” alive and constantly updated, through the EU S3 guidelines and the innovation dimension and the ex ante process concerning the EFSI funds.

Under the multilingual creative context, governance becomes more important in the Basque Country because of the existence of a complex institutional framework. The Region has the main competence on budget, local and regional development, economic development and cultural strategy and development of programs promoting I+D, innovation and internationalisation and has the capacity to leverage taxes to reinforce the sustainability of projects. Provinces have competences to implement the regional policy through funding programmes and capacity for tax regulation. Cities have competences on cultural and economic areas to promote events and support local infrastructures (theatres, museums, incubators, etc).

**Better governance to ensure coherence and synergies** among these levels and the alignment of culture and economic agendas are needed to make the best of the CCIs potential for innovation and development in the region.

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## DOCUMENT HISTORY

DATE	VERSION	EDITOR	CHANGE	STATUS
15/01/2018	1	Basque Government		Creation
08/06/2018	2	Basque Government		Draft

## 2/ REGIONAL CONTEXTS

### 2.1. Territory's general profile

The Basque Country, or *Euskal Herria* in Basque language, is a mountainous and costal cross-border region with a French and a Spanish part that share culture and language. Spanish and Basque are co-official languages in all territories of the Basque Autonomous Community (Euskadi). The Basque-speaking area is even wider than the administrative region, since it is also spoken in the French Basque Country, and to the east in the Navarra Region.

Thus, the Autonomous Community of the Basque Country is also labelled “Southern part” of the Basque Country. This governance level has an area of 7,234 km<sup>2</sup>, and is composed of three provinces (Álava, Bizkaia and Gipuzkoa) united into an Autonomous Community, represented by an elected government. It has **broad competences**, such as education, collection of taxes, police, public services, culture, etc, and a strong level of autonomy from the Spanish Central Government.

It has a population of 2,171,886 inhabitants (2016) and a **population density** of 300 inhabitants per km<sup>2</sup>, much higher than the population density of Spain and its other Autonomous Communities. Almost half of the inhabitants of the Basque Autonomous Community lives in **Bilbao's metropolitan area**. Of the ten most populous cities, six form part of Bilbao's conurbation.

Basque Country is one of the **wealthiest regions in Spain and in Europe**, thanks to its successful transformation after the 1970's crisis: diversification, market opening, etc. Since the 1990's, the region is **booming**, and is known for its important industrial concentrations (machinery, aeronautics and energy). Traditionnaly, the region has been strongly **manufacturing-based**, but the sector suffered from the 2010 crisis. New technologies and research and development (R&D) initiatives are becoming very relevant, and the same applies to technology parks.

The Basque Autonomous Community, with a GDP of €68,897m, **ranks first in Spain** in terms of per capita income (€31,805), with a nominal gross domestic product (GDP) per capita (adjusted to purchasing power parity, PPP) being **22% higher than that of the European Union** and 30% higher than Spain's average in 2016. In this year, 69.2% of the Basque Country's GDP originated in the service sector, 23.9% in industry, 6.1% in construction and 0.8% in the primary sector. In relation to GDP distribution by province, 50.6% corresponded to Bizkaia, 33.0% to Gipuzkoa and the remaining 16.4% to Álava.

In 2017, its public debt was 10,149 million euros, 14.1% of its GDP and its per capita debt of € 4,681 per capita, which makes it the Autonomous Community with the least debt in the country and in the 6th position in terms of debt per inhabitant.

According to the Economically Active Population Survey, the Basque Country has a percentage of unemployment of 10.8% of the active population (first quarter of 2018), a lower rate than the national one, and the Autonomous Community with a lower percentage of unemployment of Spain, behind Navarra.

Foreign trade shows that of the total number of industrial products exported by technological content (CNAE-09) in 2016, which reached a total value of 21,012,512,000 euros, 52.3% were exports at a medium-high technological level, 36.8% were at a medium-low technological level, 8.1% at a low technological level and 2.8% were at a high technological level.

Data on scientific research and technological development show that the total number of people in full-time equivalent employment in **RDI** (Research, Development and Innovation) in the Basque Country is 18,217 of whom 13,087 are in the business sector, 3,979 in the higher education sector and 1,150 in the public administration sector. In terms of gender, the number of women working in RDI stood at 6,414, whereas the number of men working in the sector stood at 11,803.

**TABLE 1**

Main socio-economic and socio-demographic data in the Basque Country (Eustat)

BASQUE COUNTRY. MAIN SOCIO-ECONOMIC AND SOCIO-DEMOGRAPHIC DATA	
Surface area	7,234 Km <sup>2</sup>
Population (2016)	2,171,886 inhabitants
Population density	300 inhabitants/Km <sup>2</sup>
GDP (2016)	€ 68,897 mln
GDP per capita (2016)	€ 31,805
Number of Firms (2016)	154.687
Unemployment rate (2018, first quarter)	10.8%

## 2.2. Territory's CCI profile

The Autonomous Community of the Basque Country (CAE in Spanish) is a small territory in size but **very dynamic** in terms of cultural and creative vitality. With 251 municipalities and around 2.2 million inhabitants, it has a contrasted territorial configuration since the only urban conurbation of Bilbao hosts around one million inhabitants.

The cultural offer includes great references such as the Guggenheim Bilbao Museum, Tabakalera, Azkuna Zentroa, Artium or the Museum of Fine Arts of Bilbao; a network of more than 50 public theatres, around 30 creative spaces for artists and creative entrepreneurs, three auditoriums, two symphony orchestras, private concert halls, etc. Donostia/San Sebastián, capital city of the Basque Gipuzkoa province, was the 2016 European Cultural Capital and Vitoria-Gasteiz was the European Green Capital in 2012. In 2014, Bilbao was also recognized as City of the Design by the UNESCO.

In addition, the international and EU dimension are key factors, and the Basque Government, the three Basque Capitals and the Basque Country public and private authorities underline the open collaboration and cooperation with others cities, regions, territories and European and international institutions, CCIs organisations and networks, concerning the CCIs and the cultural cooperation. In the Basque Country, organizations which manage international dimension actions, initiatives and services are key actors, underlining the *Etxepare Basque Institute*, the Basque Country MEDIA Creative Europe Desk and the Basque Government

*Delegation to the UE (under the Basque Government External Affairs Services, Presidency Directorate).* In line with the EU Agenda and Programs and key actions and initiatives, those public agencies and representations abroad create and detect opportunities, fundings and projects, and give advices for the Basque CCI sector and entities.

### Overview of the CCIs sector: companies and jobs

In 2016, the CCI sector includes a total of 15,437 companies, of which 40.7% are cultural (6,286 companies) and 59.3% creative (9,151 companies). The weight of the CCI companies in relation to the total of the CAE reaches 10%.

A total of 45,365 people work in the CCI sector, 55.7% of them dedicated to cultural activities (25,263), compared to 44.3% who perform creative activities (20,102). The weight of employment in the CCI sector in relation to the total of the CAE is 5.3%.

More than 50% of employment is distributed in four areas of activity:

- Translation and language training (23.6%).
- Libraries, archives, museums and heritage (17.1%).
- Creation: artistic and entertainment (9.6%).
- Architecture (8.7%).

Companies in the cultural field employ an average of 4.0 people per company, a point above the average offered by the total of the CCI sector (2.9); those of the creative field are below, employing 2.2 people per company, mainly due to the weight of the **self-employment** in these sectors.

**TABLE 2**

Summary of CCI sector main indicators

	2016		2016
<b>Total number of companies (all economic sectors)</b>	154.687	<b>Total number of jobs (all economic sectors)</b>	854.114
<b>Total number of companies of the CCIs</b>	15.437	<b>Total number of Jobs of the CCIs</b>	45.365
<b>% of CCI companies compared to the total number of companies</b>	10,0%	<b>% CCI jobs compared to total jobs</b>	5,3%

Source: Directory of Economic Activities, EUSTAT. (2016)

**TABLE 3**

Companies and jobs by sector

	COMPANIES		JOBS	
	Nº	%	Nº	%
<b>CREATION, ARTISTIC AND ENTERTAINMENT ACTIVITIES</b>	1.892	12.3%	4,357	9.6%
<b>TRADE OF CULTURAL PRODUCTS</b>	1.021	6.6%	1,818	4.0%
<b>GRAPHIC ARTS AND REPRODUCTION OF RECORDED MEDIA</b>	776	5.0%	3,030	6.7%
<b>ACTIVITIES OF LIBRARIES, ARCHIVES, MUSEUMS AND HERITAGE</b>	605	3.9%	7,749	17.1%
<b>MOTION PICTURE, VIDEO, RADIO, TELEVISION AND MUSIC PUBLISHING ACTIVITIES</b>	566	3.7%	3,009	6.6%
<b>PHOTOGRAPHY ACTIVITIES</b>	517	3.3%	777	1.7%
<b>CULTURAL EDUCATION</b>	405	2.6%	2,493	5.5%
<b>PUBLISHING OF BOOKS, NEWSPAPERS AND OTHER PUBLISHING ACTIVITIES</b>	296	1.9%	1,638	3.6%
<b>AUXILIARY SOUND RECORDING AND MUSIC EDITING</b>	97	0.6%	121	0.3%
<b>ACTIVITIES OF NEWS AGENCIES</b>	93	0.6%	200	0.4%
<b>MANUFACTURE OF SUPPORTS FOR IMAGE AND SOUND, AND MUSICAL INSTRUMENTS</b>	18	0.1%	71	0.2%
<b>TOTAL CULTURAL AREA</b>	6,286	40.7%	25,263	55.7%
<b>TRANSLATION AND LANGUAGE TRAINING ACTIVITIES</b>	3,631	23.5%	10,720	23.6%
<b>ARQUITECTURE</b>	3,195	20.7%	3,945	8.7%
<b>ADVERTISING</b>	1,112	7.2%	3,309	7.3%
<b>DESIGN ACTIVITIES</b>	653	4.2%	913	2.0%
<b>FASHION</b>	556	3.6%	1,203	2.7%
<b>VIDEOGAMES</b>	4	0.0%	12	0.0%
<b>TOTAL CREATIVE AREA</b>	9,151	59.3%	20,102	44.3%
<b>TOTAL CCIS</b>	15,437	100.0%	45,365	100.0%

Source: Directory of Economic Activities, EUSTAT. (2016)

The **Plan for Science, Technology and Innovation (PCTI Euskadi 2020)** of the Basque Country included in 2014 the **Euskadi RIS3 Smart Specialisation Strategy**, with the mission to improve welfare, sustainable economic growth and employment in the Basque society through a research and innovation policy based on smart specialisation and improvement of the efficiency of the System of Science, Technology and Innovation.

Euskadi RIS3 strategy defines **3 smart specialization priorities**:

- Advanced manufacturing.
- Energy.
- Biosciences.

Euskadi RIS3 strategy also defines **4 niches or areas of opportunity**:

- Food.
- Creative and Cultural Industries.
- Urban Habitat.
- Environmental Ecosystems.

# 3/ CCI SECTOR ANALYSIS: EVOLUTION AND CURRENT SITUATION

## 3.1. Evolution

Regarding the sector of the CCIs, the conceptual development as well as the first programs intended to all the Cultural and Creative Industries are very recent and appeared during the last decade in particular.

**Culture and cultural industries have played an important role in the context of the development of the Statute of Autonomy of the Autonomous Community of the Basque Country.** To address the evolution of cultural policies in Euskadi, you can consult the periodization established by Zallo (2012), and its assessment in Martinez de Albeniz (2012). Zallo distinguishes three stages:

1. A first one of normalization and putting in value of a politically persecuted culture (1979-1987).
2. A second of proper institutionalization (1988-2001).
3. And a third one of planning and governance of culture (2002-2011).

The main goal of the different cultural plans, developed especially in the third stage, has focused on the **specialization in culture of the Basque Country**, trying to turn culture into one of the **axes of centrality and identity of the country**.

Since 2010, incipient measures have been developed in the sector of creative industries, both at local and territorial levels. During the 2014-2018 period, CCI policies were developed as such at the level of the Basque Government, with the development of RIS3 in which CCIs are seen as an opportunity for the territory.

The following table lists some important milestones for the CCIs in Euskadi and aims at providing a better understanding of the evolution of the sector and its current situation.

**TABLE 4**  
CCIs evolution

DATE	FACTS & FIGURES
1979	<p><b>Approval of the Statute of Autonomy of the Basque Country</b></p> <p>The Statute of Autonomy of the Basque Country (Organic Law 3/1979), known as the Statute of Gernika, is the institutional norm by which the Basque Country, in expression of its nationality, acceded to its self-government, constituting itself as an autonomous community within the Spanish state.</p> <p>What makes the Statute of Autonomy of the Basque Country different from the others is not the number of competences transferred - or that can be transferred, since the process has not yet been completed - but Basque autonomy is based on historical legal status, recognized in the Spanish Constitution. From this assumption, the Basque Country obtains a special financing procedure (only equivalent to that of Navarra) based on an update of the economic concerts established after the abolition of the Fueros. This vision of the territory's historical legal status gives it a special territorial organization, with great powers for the provincial councils.</p>
1990'S - TODAY	<p><b>Clusters system</b></p> <p>At the end of the 1980s, the Basque Country lived in a context of economic recession. It was necessary to start a search for sustainable <b>competitive advantages</b> in an international context. Thus, the Basque administrations commissioned a report to Michael Porter in which they identified a list of 50 sectors capable of competing in world markets. These sectors were grouped into clusters to help them improve their competitiveness. The Basque Government assumed the dynamizing role of the process and was promoter of the finally selected clusters. Following the recommendations of this study, in 1991, the Basque Government established the Competitiveness Program in the Framework of Industrial Policy 1991-1995. In this program, the Basque Government financed working groups formed by companies and institutions corresponding to the <b>nine primary clusters</b>.</p> <p>Since the 1990s, the application of cluster policies has facilitated the strengthening of the Basque industries, an analytical instrument of great utility in giving cohesion to the complexity of productive activities and facilitating their relationship with the territory.</p> <p>The Basque Country boosts an important network of clusters aimed at improving business competitiveness through cooperation and backed by public agencies and universities.</p> <p>Pioneer in the implementation of measures for building, the Basque Country set the goal of increasing business competitiveness and developed bonds between research on innovative technology and Basque industries. Among the initiatives to achieve this goal is the cluster project considered to be a leading global model, whose excellent results are a focus of study in prestigious universities such as Harvard.</p> <p>The main Clusters related to CCIs are:</p> <p><b>Information Technology Cluster Association of the Basque Country: GAIA</b></p> <p>Established in 1983 as a private professional association, currently GAIA has over 260 members: companies interested in fostering the development of the electronics, information and telecommunications sector and thus give a boost to the information and knowledge society.</p> <p><b>EIKEN - Basque Audio-visual Cluster</b></p> <p>In its beginning, EIKEN gathers major companies based in the Basque Country that create and broadcast contents, products and services for the audio-visual sector. Its members cover the entire audio-visual value chain, from content creation to distribution and broadcasting, including the use of new technologies to apply in both traditional and digital media. Actually, EIKEN + Cluster, is a non-profit, sectoral business association. Its members are firms based in the Basque Country which create and broadcast contents related with the Cultural and Creative Industries.</p> <p>EIKEN + is constituted as a trust forum based in the cooperation, in order to face the future's challenges in this Metasector and contribute value to the tomorrow organizations and professionals.</p>

DATE	FACTS & FIGURES
<p><b>19/10/1997</b></p>	<p><b>Opening of the Guggenheim Bilbao Museum</b></p> <p>In December of 1991, the Basque Government, the Provincial Council of Bizkaia, and the Solomon R. Guggenheim Foundation signed the Development and Programming Services Agreement for the Guggenheim Museum Bilbao. More than two decades after its opening, the Museum is a reality that has exceeded the most ambitious artistic and cultural expectations, and has contributed to the urban, economic, and social regeneration of the city of Bilbao and its surroundings.</p>
<p><b>2000</b></p>	<p><b>Creation of the Basque Council on Culture</b></p> <p>Structured around the aim to serve as the meeting point for the public and private agents of Basque culture. Its central mission is the promotion of collaboration and the structuring of a Basque cultural space within an increasingly globalised setting. Its most immediate objective is to enhance co-ordination in three different directions:</p> <ul style="list-style-type: none"> <li>• Vertical co-ordination among the bodies of the three institutional levels with responsibility in the area of culture (Basque Autonomous Government, Provincial Councils and Local Councils).</li> <li>• Horizontal co-ordination with the institutional bureaux most involved in cultural activity and also with the public and private institutions of Navarra and the French Basque Country; and, finally,</li> <li>• Co-ordination with the social agents of the different cultural sectors.</li> </ul>
<p><b>2002</b></p>	<p><b>The restoration of the Cathedral of Vitoria-Gasteiz receives the Europa Nostra 2002 prize</b></p> <p>The restoration of the Gothic cathedral of “Santa Maria” of Vitoria-Gasteiz received the Europa Nostra prize, the most important European award in terms of conservation and improvement of cultural heritage. It is the recognition of the application of an integral system of rehabilitation, which is completed with the tourist and cultural diffusion of the archaeological and architectural investigations carried out in the temple.</p> <p>It is the first time that a Spanish project has won a first-class prize. The old cathedral of Vitoria-Gasteiz obtained it in the section of studies of restoration, in front of other 300 projects of 19 countries.</p>
<p><b>2002</b></p>	<p><b>Opening of ARTIUM, in Vitoria-Gasteiz</b></p> <p>As a museum and cultural activities center, Artium is a reference model for the work it carries on both to safeguard the cultural heritage and to promote the nowadays creation. In February, 2001, the ARTIUM Foundation was set up to manage the new museum and the following year it opened its doors to the public.</p> <p>With the Artium Collection, its program of exhibitions and activities, its educational project (which has become a reference model throughout Europe), and its widely- acclaimed documentation center, the Centre-Museum forms an essential part of the cultural fabric of Vitoria-Gasteiz, Álava and the Basque Country and is one of the fundamental assets of the national art scene.</p>
<p><b>21/09/2004</b></p>	<p><b>The Basque Government approves the Basque Plan for Culture (BPC)</b></p> <p>It is the instrument that aims to reflect the agreement between the different public and private agents on the strategic vision, the criteria of action and the priorities for the Basque culture as a whole. A tool for consensus and continuous improvement that has been the fruit of collective work.</p> <p>It is also a commitment to develop these broad lines through some shared institutions that seek to coordinate actions, rationalize resources or generate synergies without, of course, invading the institutions’ competencies or interfering with the decisions of the social or private agents. From its constitution to the present, it is a common model based on the development of professional sector associations.</p> <p>The Basque Culture Plan has been extended until today with two successive plans called the Citizen Contract for Cultures (2009-2012) and Kultura Auzolanean (2013-).</p>

DATE	FACTS & FIGURES
2007-TODAY	<p><b>Creation of the Basque Cultural Observatory</b></p> <p>The Basque Cultural Observatory-Kulturaren Euskal Behatokia (BCO-KEB) was created in 2007 as a centre of information, documentation and research in the field of culture in the Basque Autonomous Community (BAC). It was formed as affiliate part of the Direction for the Promotion of Culture of the Basque Government.</p> <p>The creation of the BCO was defined as a priority action line within axis 2 of the BPC: “To establish an information and follow-up system to monitor the situation and evolution of culture in the Basque Autonomous Community and to develop sectoral strategic plans and state-of-the-art studies”.</p>
2008	<p><b>Opening of spaces in industrial policy applied to culture</b></p> <p>The 2nd Euskadi Plan in the Information Society of the Department of Industry of the Basque Government for the period 2008-2011 incorporated several actions related to culture, for the first time.</p>
2009	<p><b>Bilbao City Council begins to support the creative economy of the city</b></p> <p>Bilbao City Council, through Lan Ekintza-Bilbao (Local Development Agency created in 1989 by the City Council as an instrument to improve the employability of people and support commercial and business activity in the municipality), carries out continuous work for sectors of opportunity that allow the development of the municipality. In this context, in 2009 he carried out a study on the potential of the creative industries in Bilbao.</p> <p>In 2010 the elaboration of the I Plan for the Development of the Creative Economy (2011-2013) culminated in the conviction that this sector is in full growth phase, with a specific weight in GDP and with the capacity to generate new positions of work.</p>
2010	<p><b>Implementation of the “Ekintzaile” program of the Society for the Promotion and Industrial Reconversion (SPRI).</b></p> <p>Agreement to approve the regulations that will govern the “Ekintzaile” program, measures to support entrepreneurs for projects supervised through the Business and Innovation Centres (BIC).</p> <p>Financial support for new business projects of an innovative industrial nature or related services, supervised by a BIC, for the phases of maturation of the idea and start-up of the company.</p>
2010	<p><b>Start of the “Creation Factories” programme of the Basque Government</b></p> <p>It is a specific line of stimulation of innovation, both in the purely artistic and in the management of production, in order to promote the emergence of new talents and creative practices that allow the renovation of the creation structures of cultural contents, the appearance of new artistic modes with its own singularity and, in general, the subsequent enrichment and strengthening of the artistic community.</p>
2010	<p><b>Opening of Azkuna Zentroa in Bilbao</b></p> <p>The Azkuna Zentroa, formerly Alhóndiga Bilbao, is an old wine warehouse located in the town of Bilbao, converted into a centre for leisure and culture. It is a municipal entity dedicated to programming, organizing and managing art, culture, leisure and sports activities. With a clear vote for innovation and technology, it serves as backup for the strategy of Bilbao as an open, cultural and knowledgeable city.</p>

DATE	FACTS & FIGURES
2011	<p><b>Constitution of the European territorial cooperation group (EGTC) “Euroregion Aquitaine-Euskadi”</b></p> <p>The two regions, the Autonomous Community of the Basque Country and the Aquitania region (now called “Nouvelle Aquitaine”, decided in the “Aquitaine-Euskadi Summit” held in Bordeaux, on November 30, 2009, to start a new stage of collaboration. This summit opened the process of constitution of the “Euroregion Aquitaine / Euskadi”, with its own legal personality, adopting the form of a European Grouping of Territorial Cooperation in order to deepen cooperation between the two regions and contribute to the creation of a large space of relations, exchanges and common projects, having a significant place in Europe.</p> <p>This EGTC has been established in order to carry out common actions to strengthen the economic, social and cultural development and cohesion, representing its interests at a local, regional, national and international level.</p> <p>To achieve its objectives, the EGTC has three priorities: to ensure a sustainable mobility area, to achieve a sustainable, smart and inclusive growth, and to develop a euroregional citizenship.</p> <p>In 2017, Navarra joined the EGTC.</p>
2011 – 2012	<p><b>BEAZ and “Bizkaia Creativa” Programme</b></p> <p>BEAZ is a Foral Society attached to the Department of Economic Promotion of the Provincial Council of Bizkaia, whose purpose is to contribute to the growth of economic activity and the creation of employment, by supporting the creation of innovative companies and the development of business projects of innovative character in existing companies to boost their growth: new products and services, new markets, innovation, internationalization...</p> <p>Hence, the Department of Economic Promotion of the Provincial Council of Bizkaia considered it was necessary to develop a specific program in 2012, called Bizkaia Creative, for the promotion of creative industries’ activities. The Bizkaia Creative Program aims to support new projects of creative companies, existing or newly created, and to consolidate this sector in Bizkaia, giving it an international visibility and the potential to create new jobs linked to knowledge and creativity. The focus sectors of the program are: industrial design, audiovisual, videogames, fashion and architecture.</p>
2012 – 2013	<p><b>“Gipuzkoa Creativa” Programme: Creative Competences and Social Innovation</b></p> <p>It’s a project presented by Sinergiak Social Innovation UPV-EHU and approved by the Department for Innovation, Rural Development and Tourism of the Provincial Council of Gipuzkoa within the 2012 Call of the “Gipuzkoa as Territory for Learning” Program.</p> <p>The general objective of Gipuzkoa Creativa consists in “developing a pilot experience on the development of creative competences within Gipuzkoa’s Cultural and Creative Industries (CCI) Sector, based on the mapping of competences (research) and the development of training spaces by competences (action), as well as their diffusion for the activation of the public-private agents around the experience”.</p>
2013	<p><b>Fomento de San Sebastián develops a study of the creative industries and designs a support plan</b></p> <p>Since its inception over a hundred years ago, the agency “Fomento de San Sebastián” has undergone a transformation, taking into account the social, economic and technological aspects of the territory of San Sebastian and its surroundings. It is today the Town Hall instrument for sustainable economic development of San Sebastian. It is the driving force behind the city’s socio-economic transformation, promoting the development of emerging sectors through the consolidation of the local clustering model, and supporting the business sector throughout this transformation.</p> <p>The work in the field of innovation includes the sectors of new economics, knowledge economics, creative economics, and cohesive economics.</p>

DATE	FACTS & FIGURES
2014	<p><b>The strategic priorities of smart specialization of Euskadi RIS 3 are established</b></p> <p>The Basque Government defines 3 smart specialization priorities related to advanced manufacturing, energy and bio-sciences (where human health is the main core of activity). They have also identified four niches or areas of opportunity, with different levels of maturity linked to the territory.</p> <p>The cultural and creative industries are one of the four territories of opportunity of the Basque smart specialization strategy RIS3, which identifies areas of great added value for the creation of new products and services that generate growth and employment in Euskadi. The strategy is carried out in two phases: 2014-2016 and 2017-2020.</p>
2015	<p><b>Inauguration of “Tabakalera” in Donostia/San Sebastián</b></p> <p>Tabakalera is a centre of contemporary culture located in the city of San Sebastián with a double vocation: being a production center, and offering a public program of activities. These two axes cross all areas of the creation process from the creation, to the exhibition. In addition to serving as a place of support for the professionalization of artists and creators, it also generates programming for different audiences and makes available to the general public tools of approach and access to contemporary culture and creation.</p> <p>The main objective of Tabakalera’s cultural project is to promote contemporary cultural creation in different areas and in all its phases (research, production, exhibition) as well as to generate and share knowledge.</p>
2016	<p><b>New tool for accessing financing for cultural and creative companies</b></p> <p>Promoted by the Basque Government, ELKARGI (First Reciprocal Guarantee Society of the State), signed an agreement with the European ethical bank Triodos Bank to offer financing and endorsement to companies and cultural entrepreneurs in competitive conditions</p> <p>The financial institution makes available to SMEs and self-employed members of ELKARGI loans for investment and working capital with up to 15 years of repayment period. Triodos Bank and ELKARGI will work together to substantially improve the supply of financing for the cultural and creative industries.</p>
2016	<p><b>San Sebastián, European Capital of Culture</b></p> <p>San Sebastian was chosen as the European Capital of Culture 2016. This candidacy was shared with the Polish City of Wroclaw under the motto “Coexistence”. The basic idea “Waves of energy” sums up the “soul” of the “San Sebastián 2016” candidature in a clear message: people and movements of citizens are the real driving force behind transformations and changes in the world. They provide the vital civic energy that makes societies advance and progress. Citizens, in short, play the leading role in the search for solutions to new global challenges. Waves of Energy means a commitment to the basic role played by men and women, individually and collectively, and to the engagement of citizens and the involvement of social capital in the shared construction of society.</p>
2017	<p><b>Álava approves the Strategic Plan of Culture of Álava (2017-2020)</b></p> <p>The Provincial Council of Álava approved the Strategic Plan of Culture of Álava, a document that includes the priority action lines of the Department of Basque, Culture and Sport in the framework of its cultural action in the period 2017-2020.</p>
2018	<p><b>Reconversion of the SPRI (Business Development Agency)</b></p> <p>The goal of the Business Development Agency of the Basque Government (depending on the Department of Economic Development and Infrastructures) is to support and promote Basque companies, giving services to the businesses through the different programs and services that used to be competencies of the Basque Government.</p> <p>In the SPRI Group, Basque companies find the tools to become more international and entrepreneurial, obtain financing, locate industrial land, apply new technologies, innovate or carry out the necessary process of entering the New Industry, Basque Industry 4.0. Moreover, it is the agency entrusted to attract and facilitate foreign investments through its Invest in the Basque Country service.</p>

### 3.2. Current situation

The **Basque Country Smart Specialisation Strategy**, in line with the Basque Country Research and Innovation Strategy (PCTI) has already identified CCI, culture and creativity as niches of opportunity. Priorities for the CCI within RIS3 are:

- Development of RDI projects based on visual technologies/digital media, new/smart materials, languages technologies, digital platforms and services for content creation.
- Development on RDI projects in cooperation with other RIS3 areas e.g. advanced manufacturing.
- Technological transfer to these sectors.
- Innovation in business.

At the end of 2015, the **RIS3 CCIs Pilot Group** of Euskadi was set up at the level of the Basque Autonomous Community, with the aim of coordinating and aligning the RIS3 CCI strategies through a multilevel governance model. Initially, contacts were started by separating the cultural and creative industries, but by the end of 2016 the clear need for a **single group** to monitor the CCI policies and programs was perceived.

During 2016, the 15 RIS3 CCI sectors in Euskadi were defined as follows:

**TABLE 5**  
CCIs 15 sectors

CCIS BASQUE COUNTRY SECTORS (15)	
<b>CULTURAL INDUSTRIES</b>	Scenic Arts
	Music
	Cultural Heritage
	Language Industries
	Visual Arts
	Craft sector
	Edition and print sector
<b>CREATIVE INDUSTRIES</b>	Audiovisual
	Videogames
	Digital contents
	Design
	Architecture
	Fashion sector
	Publicity/Marketing
Creative Gastronomy	

This classification added two important sectors for the Basque Country: the language industries, and the gastronomy of creative value.

2017 was a strategic year in the development of the RIS3 CCIs Euskadi, since for the first time a comprehensive and agreed strategy for the cultural and creative industries was proposed, coinciding with the start of the European project Creadis3. The main 3 lines of the 2017-2019 Action Plan are described below, as well as the impact of the measures whose implementation had already started in 2017.

**TABLE 6**  
2017-2019 Action Plan

POLICY NAME	SECTOR TARGETED	MAIN FEATURES	ON-GOING STRATEGY
<b>DELIMITATION OF THE PERIMETER OF THE CCI-S AND SYSTEMATIC GENERATION OF DATA</b>	<b>CCIs</b>	<p>During 2017 the perimeter of the 15 CCI sectors has been conceptually defined, with representatives of the sectors. A statistical operation has also been prepared to define how to measure the sector in a systematic way. In 2018, apart from the already existing statistical operation directed to the cultural industries, a new statistical operation of Creative Industries is incorporated, and in 2020 both will be merged into a single operation that will be called Cultural and Creative Industries' statistics, which will be executed every 2 years. The first semester of 2018, the Basque Cultural Observatory Culture has organized a seminar with international agents specialized in operations in the sector of the CCIs to compare methodologies.</p> <p>The strategic change proposed is to enable systematic and comparable information for all the CCIs. The operational change produced relies on the obtention of funding by the regional government for this new statistical operation, so that we will try to gather data on the most defined creative sectors by 2018 for the 1st time, and on all CCIs by 2020. The fieldwork will be executed during the second half of 2018.</p> <p>In 2019, the mapping carried out in 2017 (data 2016) on the expenditure of the Basque administrations in CCIs within CREADIS3 project, will be updated.</p>	√
<b>CCI-S SECTOR TRANSVERSAL POLICY: "KSI BERRITZAILE" PROGRAM 2017-2019 (CCI-S INNOVATION PROGRAM 2017-2019).</b>	<b>CCIs</b>	<p>The KSI BERRITZAILE program was born in relation with the 1st mapping exercise of Creadis3, where the programs of the Basque administrations in CCIs were collected. In 2017, the KSI BERRITZAILE program was started as a pilot project. After the evaluation of results, in 2018 it became a support program for the CCI sectors towards innovation, and this will be renewed in 2019. By the end of 2019 these 3 years of program will be evaluated to guide the future editions of the program.</p> <p>KSI BERRITZAILE is an innovation program of the cultural and creative industries, aimed at the 15 CCI sectors of Euskadi, which has three axes:</p> <p>Axis 1: Innovation and Technology Transfer. Directed to companies. The focus is on promoting technology transfer from Tecnalia and Vicomtech technology centers to CCIs to set up innovative products and services designed for the most global markets, and create synergies and new opportunities for opportunity and innovative development.</p> <p>Axis 2: Innovation of Organizational Model and business structure. Directed to companies and associations. This axis focuses on the innovation of organizational models and the improvement of the management systems of the entities in the field of CCIs so that they can be more competitive, promoting the professionalization of the sector, for which they have the support of EUSKALIT.</p> <p>*Axis 3: Financial Training. Directed to companies and associations. CCIs entities can count on the support of ELKARGI for financial training through training in basic concepts of Economic-Financial Management.</p> <p>The results of the pilot program 2017 show that it is a viable program, with the participation of about 100 companies and associations, and that it is helping to shape the sector as well as new ways of relation between agents in the sector. An increase in high interest projects is foreseen in 2018-2019. Likewise, in 2018-2019 the opening of new axes of the program (internationalization) and the modification of existing instruments (call for cultural innovation, BITARTEZ) are being evaluated.</p> <p>KSI BERRITZAILE has been incorporated into the existing instruments of the various Basque administrations, so that it is coordinated with the other resources assigned for the sector. Learning from each exercise, it has been possible to improve this coordination from 2017 to 2019.</p>	√

POLICY NAME	SECTOR TARGETED	MAIN FEATURES	ON-GOING STRATEGY
<b>MANAGEMENT AND DEVELOPMENT OF THE RIS3 CCI-S PILOTING GROUP.</b>	<b>CCIs</b>	<p>The development of the RIS3 CCI piloting group as a tractor space for the CCIs in Euskadi is a key factor in the whole process. The CCIs piloting group in 2017-2018 is exercising the following functions (among others):</p> <ul style="list-style-type: none"> <li>• Definition and monitoring of common programs in the CCI sector.</li> <li>• Participation and monitoring of the perimeter process of the CCIs.</li> <li>• Participation and monitoring of the CREADIS3 project.</li> <li>• Improvement of the inter / intra administrations and sectors coordination of the CCIs.</li> </ul> <p>The strategy of a single piloting group for the 15 CCI sectors during 2017-2018 has been useful in consolidating a broader sector than the previously differentiated cultural and creative sectors. Although with a positive result it is necessary to deepen this perspective during the period 2018-2019. Greater cross-sectoral and inter-administrative knowledge is being achieved, and projects with strategic priority areas of RIS 3 are becoming more common.</p> <p>Related to the aforementioned competencies, it is proposed to include the following points in the pilot group of 2018-2019:</p> <ul style="list-style-type: none"> <li>• Coordinated initiatives of socialization and dissemination of the CCIs, inside and outside Euskadi,</li> <li>• Map of priorities of specialization by territories and CCI sectors in Euskadi,</li> <li>• Euskadi as a European Creative and Cultural District: viability.</li> </ul>	√

### 3.3. Creative districts

The policy instrument to develop Creadis3 is the **Basque Country ERDF Operational Program 2014•2020/ Pais Vasco FEDER 2014•2020**, and especially its 1<sup>st</sup> priority:

1/OT1: Strengthening research, technological development and innovation.

The main objective is to implement a common regional and territorial strategy of economic development and RDI initiatives, actions and measures for the development of the CCIs, shared by the three institutional levels within the Region Initiatives. The aim is to reinforce the cooperation and governance among the 3 institutional levels in more “smart” (under RIS3 values) and efficient way and will provide an increased visibility to the ICC strategy.

The Creadis3 project foresees in Euskadi the development of projects of creative districts at the level of administrations and sectors, including an action plan at regional level.

**A Creative District, in this sense, is defined as an** ecosystem that generates collaboration across public authorities and industrial stakeholders in order to foster the development of culture and creative industries as well as innovation according to its Smart Specialisation Strategy.

Currently, the situation is being analyzed at two levels:

- **Dimension 1:** Models of Creative Districts at an international level, both with the Creadis 3 partners and with other experiences: comparability, models and networks, starting situation, adaptability and costs.
- **Dimension 2:** Current assets in Euskadi and its possible development: associative tissue, administrative tissue, progressivity, viability of a regional Creative District.

After this feasibility analysis, the decision on the model to be developed from 2020-2021 will be considered in 2019, by the RIS3 CCIs piloting group.

## 4/ CCI-S SECTOR CHARACTERIZATION

### 4.1. Stakeholders

The Stakeholders of the Creadis3 project play a fundamental role in the development of the project, both at a strategic level (design and orientations) and at operational level. Following the selection criteria of stakeholders agreed between the project partners (Criteria for the selection of Stakeholders Methodological Guidance, march 2017), the territory's stakeholder group consists of 15 organizations, broken down as follows:

**TABLE 7**

Skateholder group

<b>PUBLIC ADMINISTRATIONS</b>	Economic Development and Infrastructure Department of the Basque Government	
	BEAZ - Provincial Government of Bizkaia	
	Bilbao Ekintza municipal entity	
	Provincial Government of Gipuzkoa- Economic Development Department	
	Fomento de San Sebastián/Donostiako Sustapena municipal company	
	Provincial Government of Araba – Economic Development Department	
<b>STAKEHOLDERS OF SECTORAL ASSOCIATIONS/CLUSTERS CCI-S AND CULTURAL INFRASTRUCTURES</b>	Municipality of Vittoria-Gasteiz – Department of Employment and Sustainable Economic Development	
	EIKEN-Basque Audiovisual & Digital Content	
	GAIA - Association of Electronic and Information Technologies in the Basque Country	
	EHMBE- Music Office of the Basque Country	
	EIDE – Association of Basque Designers	
	Tabakalera - International Centre for Contemporary Culture	
	Azkuna Zentroa – Culture center	
	<b>THE STI AGENTS OF THE BASQUE COUNTRY</b>	INNOBASQUE – Basque agency of Innovation
		TECNALIA – Technological corporation

Both in the internal meetings of the Basque Country and in the Study Visits so far, the Basque stakeholders have played an active and outstanding role.

The Euskadi RIS3 CCI piloting group can be considered as the extended group of Stakeholders, since in all its meetings it analyzes the development of the Creadis3 project. This group includes all the cultural and economic development administrations of the three capitals, the three provincial and regional authorities, as well as the 15 sector facilitation nodes, and the innovation STIs and technology centers.

## 4.2. Mapping 1- Competences

For the elaboration of mappings 1 and 2, the methodological guidelines were agreed during the Kick-off meeting in March 2017 and included in the document entitled “Guide for Mapping Preparation”. In these guidelines basic concepts for mappings were defined:

- How to choose the sectors upon which each partner will carry out the Mapping?
- How to identify what administration levels they will include in the Mapping?

Also, the availability of information and the viability of access to the sources of information were underlined, as well as the time scope (2015 or 2016).

In the Basque case the methodological approach could be synthetized as follows:

**TABLE 8**

Mapping 1- Competences: methodological approach

<b>OBJECTIVE OF THE STUDY</b>	The identification of public bodies that participate in cultural and creative policies at different administrative levels.
<b>FIELD OF SURVEY</b>	Basque Government, the three Regional Governments and the three City Councils of the capitals of the Autonomous Community of the Basque Country.
<b>DEPARTMENTS INVOLVED</b>	Culture, Basque Language, Education, Economic Promotion
<b>TIMESCOPE</b>	2016
<b>ANALYSED INFORMATION</b>	Nominative subsidies (436) devoted to the CCI from the 2016 budgets; 2016 aid or competitive programmes (152) in which companies and organisations in the field of CCI are beneficiaries.
<b>CCI-S SECTORS INCLUDED IN THE STUDY (15):</b>	Architecture, Performing Arts, Visual Arts, Craftsmanship, Audiovisual, Digital Contents, Design, Publishing and Printed Media, Gastronomy, Language Industries, Fashion, Music, Cultural Heritage, Advertising and Marketing, Video Games.

Three main questions to answer:



## General conclusions

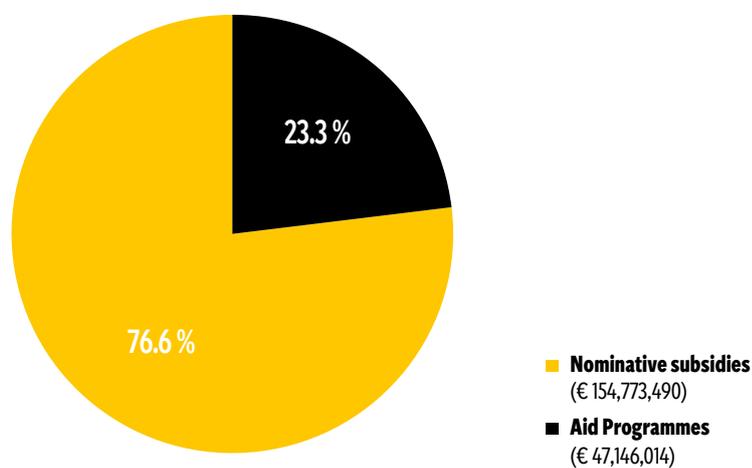
1. In 2016, the public administrations of the Autonomous Community of the Basque Country allocated a total of 202 million euros to the Cultural and Creative sector. The amount allocated by means of nominative subsidies is significantly higher than that allocated through aid programmes: 155 million euros compared to 47 million euros.

**TABLE 9**

Amount allocated through subsidies to CCIs

TYPE OF AID OR SUBSIDY	AMOUNT (€)
Nominative subsidies	154,773,490
Aid programmes	47,146,014
<b>Total</b>	<b>201,919,504</b>

Source: Siadeco



2. The companies or beneficiary entities of 8 out of 10 euros allocated to the CCIs in 2016 belong to these four sectors:

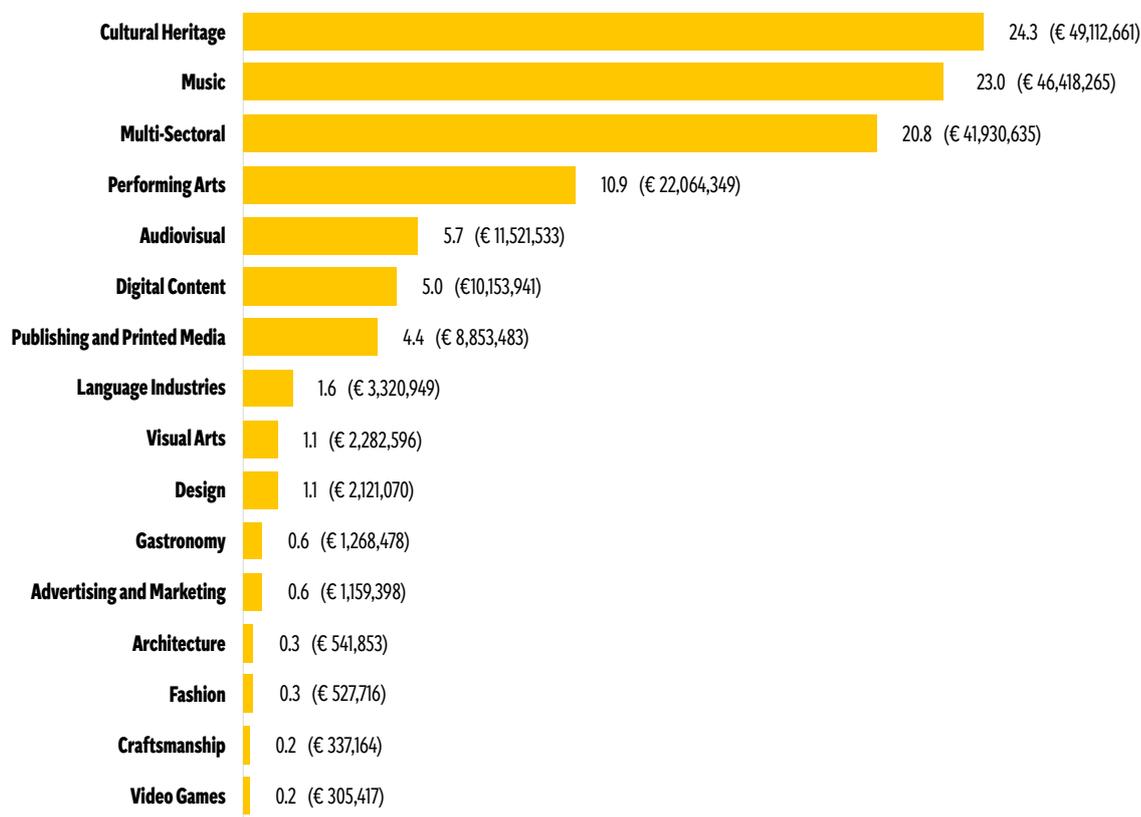
- a. Cultural Heritage.
- b. Music.
- c. Multi-sectoral category.
- d. Performing Arts.

The CCI sectors with the lowest financial cover in the Autonomous Community of the Basque Country in 2016 were the following:

- e. Video Games.
- f. Craftsmanship.
- g. Fashion.
- h. Architecture.

3. In the financing of some CCI sectors, the participation of different areas or departments of entities is more varied than in others, as it is the case of Audiovisuals, Publishing and Printed Media, Language Industries and Music. There are sectors that are financed almost exclusively through the departments of culture of the different entities, as is the case of Cultural Heritage, Visual Arts or Performing Arts (sectors which are more linked to cultural activity).

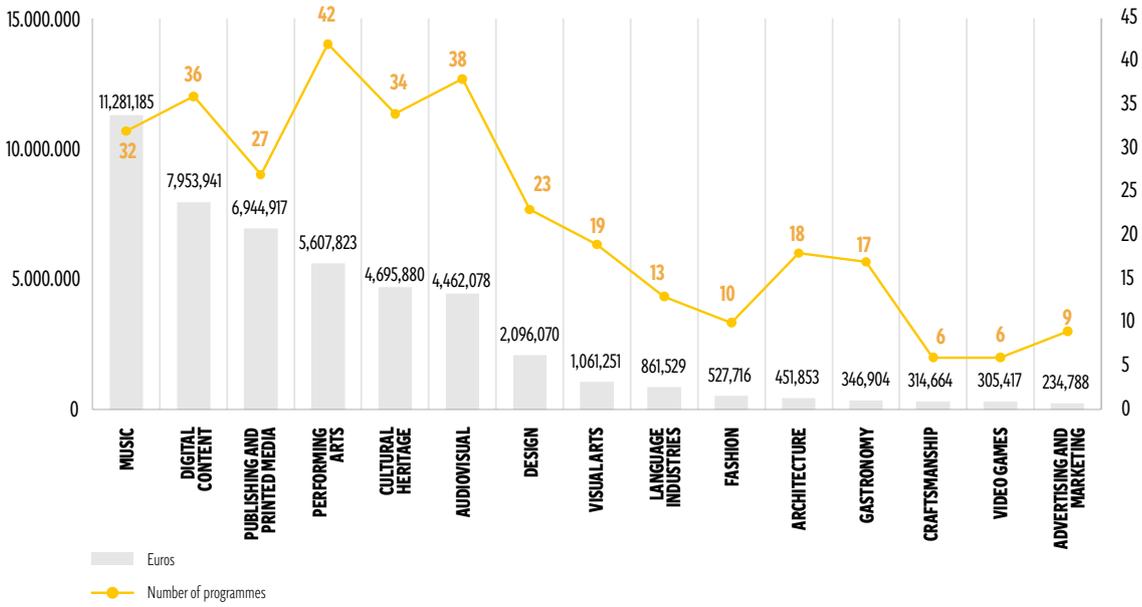
**TABLE 10**  
Distribution of subsidies by CCI sector (%)



### Specific analysis conclusions of competitive programmes

1. Music, Digital Content, Publishing and Printed Media and Performing Arts are the sectors to which more resources are allocated through the aid programs. The sector most subsidized through aid programs is the Music sector: in 2016, 11.3 million euros were allocated to this sector through 32 programs. It is followed by the Digital Content sector, with almost 8 million euros and 36 programs; after that, the Publishing and Printed Media sector with almost 7 million euros and 27 programs, and, then, the Performing Arts sector with 5.6 million euros and 42 programs Specific analysis conclusions of competitive programs.
2. The sectors with less financial cover were Video Games, Craftsmanship, Advertising and Marketing, and Fashion. In 2016, these sectors received between 0.2 and 0.5 million euros each.

**TABLE 11**  
Amount and number of aid programmes, by tipe of entity



### 4.3. Mapping 2- Regional creative ecosystem

Concerning the second mapping, methodological guidelines were also agreed during the Kick-off meeting in March 2017 and included in the document entitled “Guide for Mapping Preparation”. In these guidelines basic concepts for mappings were defined. In order to elaborate this second mapping of the Basque regional creative ecosystem, we start from the following scheme of the value chain:

**TABLE 12**

Value chain

REINFORCING ACTIONS OBJECTIVE: CCIS COMPETITIVENESS ENHANCEMENT AND EXPORT CAPACITY			
 <b>Competence development</b>	Creation	Management	Tecnological and Digital
	Access to financing		
 <b>Creation</b>	Creation infrastructures		
	Programs to promote creation and creators		
 <b>Entrepreneurship</b>	Incubation infrastructure	Advance incubation model	
	Supporting programs for the creation of innovation-based companies		
 <b>Innovation</b>	Supporting programs for RDI		
	Supporting programs for innovation in products, services or markets		
 <b>Growth</b>	Acceleration program	Internationalisation programs	
	Programs of international dissemination of creation and creators		
 <b>Financing</b>	Access to public financing instruments		
	Access to private financing instruments		

In the Basque case the methodological approach for mapping 2 was the following:

The objective of this second mapping was the identification of the regional creative ecosystem of the Autonomous Community of the Basque Country, that is, to identify the existing regional ecosystem around the CCIs, including:

- Policies and support tools.
- Interested parties involved (universities, creative and technological centers, clusters, incubators, etc.).
- Services provided (skills development, creation of business management skills, programs for backing the internationalization of small and medium-sized companies, etc.).

In order to reach this objective, this study undertakes a double analysis:

- On the one hand, the agents who make up the CCI regional ecosystem (stakeholders) who carry out CCI support measures will be identified and the type of tools they promote will be qualitatively analyzed.
- On the other hand, the second analysis is based on the classification of the actions carried out by the administrations identified in Mapping 1 in levels of a CCI reinforcement action value chain. It is a quantitative analysis which allows identification of the support measures and tools allocated to each type of reinforcement action. However, in this second mapping, only the aid or competition programs of the main public administrations of the Autonomous Community of the Basque Country have been considered. Starting out from this information, analyses have been made of the characteristics and objectives of those aid programs, and an attempt has been made to classify each aid program in a type of reinforcement action of those included in the methodological report of the program Creadis3.

Talking about the thematic, the study focused on the results of the second analysis level: 15 analyzed sectors, reclassified in 2 groups.

**TABLE 13**

15 CCIs sectors reclassified in 2 groups

CULTURAL INDUSTRIES	CREATIVE INDUSTRIES
Performing arts	Architecture
Visual arts	Digital Content
Craftsmanship	Design
Audiovisual	Gastronomy
Publishing and printed media	Fashion
Language Industries	Advertising and marketing
Music	Video Games
Heritage	

Source Siadeco, 2017

**TABLE 14**

Amount through nominative aid programmes allocated to the CCIs, by sector

ORGANISATION	AID PROGRAMMES	
	€	%
CULTURAL INDUSTRIES	35,229,326	74.7
CREATIVE INDUSTRIES	11,916,688	25.3
<b>TOTAL</b>	<b>47,146,014</b>	<b>100.0</b>

Source Siadeco, 2017

### Conclusions of the analysis of the support tools

The principal Basque public administrations allocate their aid programs above all to reinforce the Growth of existing CCI companies in the Autonomous Community of the Basque Country. Secondly, they most allocate support to Innovation, in products, services or market.

In total, **95 aid programs** aim at financing the growth of companies (33.8 million euros have been allocated to this reinforcement action). This support is mainly used to back production and the activity of the companies.

Hence, 72% of the total of subsidies granted through aid programs are devoted to financing Growth. Innovation has been allocated 9.2 million euros through 20 competition programs (19.5% of total aid).

**TABLE 15**

Number of programmes and amounts by value chain

COMPETENCE DEVELOPMENT	CREATION	ENTREPRENEURSHIP	INNOVATION	GROWTH	FINANCING	INTERNATIONALISATION
						
Total <b>10 programmes</b> <b>€509,656</b> (1.1%)	Total <b>4 programmes</b> <b>€2,050,000</b> (4.3%)	Total <b>7 programmes</b> <b>€1,321,316</b> (2.8 %)	Total <b>20 programmes</b> <b>€9,222,517</b> (19.6 %)	Total <b>95 programmes</b> <b>€33,812,911</b> (71.7 %)	Total <b>3 programmes</b> <b>€40,724</b> (0.1 %)	Total <b>3 programmes</b> <b>€188,890</b> (0.4 %)

Source Siadeco, 2017

Except in the case of Growth, where the participation comes from **different departments**, in other reinforcement actions, aid programs come from a single department.

Competence Development and Creation are reinforcement actions which are, above all, linked to culture. Competence Development and Creation are actions financed through culture-related departments of public organizations (98% and 100% respectively). In addition, the companies benefiting from or receiving this aid are classified as cultural industries (99% and 100% respectively).

Entrepreneurship, Innovation, Financing and Internationalization are reinforcement actions most closely linked to **economic development**. These reinforcement actions are to a great extent financed through the departments linked to promotion or economic development (between 96% and 100%). In addition, the companies who benefit from this aid are mostly considered as **creative industries**.

The departments of Basque language and education only intervene in programs intended to Growth. In this respect, due to subsidies to music education centers which amounts to 9 million euros, the Department of Education of the Basque Government's contribution to Growth stands out.

**TABLE 16**

Public administrations that intervene in each reinforcement action (number of programmes, amount allocated and percentage)

REINFORCEMENT ACTION	PUBLIC ADMINISTRATION								
	BASQUE GOVERNMENT	ÁLAVA REGIONAL GOVERNMENT	GIPUZKOA REGIONAL GOVERNMENT	BIZKAIA REGIONAL GOVERNMENT	VITORIA-GASTEIZ CITY COUNCIL	DONOSTIA-SAN SEBASTIÁN CITY COUNCIL	BILBAO CITY COUNCIL	TOTAL	
	No.	1	2	5	1	-	-	1	10
	€	75,000	30,487	142,200	249,969	-	-	12,000	509,656
	%	14.7	6.0	27.9	49.0	-	-	2.4	100.0
	No.	4	-	-	-	-	-	-	4
	€	2,050,000	-	-	-	-	-	-	2,050,000
	%	100.0	-	-	-	-	-	-	100.0
	No.	1	1	-	4	1	-	-	7
	€	255,900	138,442	-	898,461	28,513	-	-	1,321,316
	%	19.4	10.5	-	68.0	2.2	-	-	100.0
	No.	6	2	2	8	2	-	-	20
	€	6,692,402	120,256	90,076	2,295,452	24,331	-	-	9,222,517
	%	72.6	1.3	1.0	24.9	0.3	-	-	100.0
	No.	27	13	22	19	1	4	9	95
	€	22,693,232	1,307,973	4,161,373	5,195,488	99,999	73,125	281,720	33,812,911
	%	67.1	3.9	12.3	15.4	0.3	0.2	0.8	100.0
	No.	1	-	-	2	-	-	-	3
	€	3,782	-	-	36,942	-	-	-	40,724
	%	9.3	-	-	90.7	-	-	-	100.0
	No.	-	1	-	2	-	-	-	3
	€	-	25,967	-	162,923	-	-	-	188,890
	%	-	13.7	-	86.3	-	-	-	100.0
<b>TOTAL</b>	No.	40	19	29	36	4	4	10	142
	€	31,770,315	1,623,126	4,393,649	8,839,236	152,843	73,125	293,720	47,146,014
	%	67.4	3.4	9.3	18.7	0.3	0.2	0.6	100.0

Source Siadeco, 2017

-  Competence development
-  Creation
-  Entrepreneurship
-  Innovation
-  Growth
-  Financing

**TABLE 17**

Departments that intervene in each reinforcement action (number of programmes, financial amount allocated €)

REINFORCEMENT ACTION	DEPARTMENT						
	CULTURE	BASQUE LANGUAGE	EDUCATION	FINANCIAL	OTHERS	TOTAL	
	No.	Promotion	Others	Total	0	1	10
	€	497,169	0	0	0	12,487	509,656
	%	97.5	0.0	0.0	0.0	2.5	100.0
	No.	4	0	0	0	0	4
	€	2,050,000	0	0	0	0	2,050,000
	%	100.0	0.0	0.0	0.0	0.0	100.0
	No.	0	0	0	7	0	7
	€	0	0	0	1,321,316	0	1,321,316
	%	0.0	0.0	0.0	100.0	0.0	100.0
	No.	1	0	0	19	0	20
	€	400,000	0	0	8,822,517	0	9,222,517
	%	4.3	0.0	0.0	95.7	0.0	100.0
	No.	62	21	2	7	3	95
	€	13,745,399	8,920,126	9,034,668	2,068,989	43,728	33,812,911
	%	40.7	26.4	26.7	6.1	0.1	100.0
	No.	-	0	0	3	0	3
	€	-	0	0	40,724	0	40,724
	%	-	0.0	0.0	100.0	0.0	100.0
	No.	-	0	0	3	0	3
	€	-	0	0	188,890	0	188,890
	%	-	0.0	0.0	100.0	0.0	100.0
<b>TOTAL</b>	No.	76	21	2	39	4	142
	€	16,692,568	8,920,126	9,034,668	12,442,436	56,215	47,146,014
	%	35.4	18.9	19.2	26.4	0.1	100.0

Source Siadeco, 2017

-  Competence development
-  Creation
-  Entrepreneurship
-  Innovation
-  Growth
-  Financing

## 4.4. Good practices

The good practices selected in the case of the Basque Country are based on the following basic criteria:

- GP with actions with visible and contrasted results.
- GP with a high level of transferability.
- GP with a high level of added value.

The Basque Country's objective within CREADIS3 is to improve institutional governance, consequently it is more related to mapping 1 exercise (how do all governance level back CCI's?). For this reason, we have also added the criterion of inter-institutional collaboration to select good practices.

Good practices 1 (ZAWP) and 2 (BEAZ) are more linked to CREADIS3's 1st objective, the improvement of institutional governance, while good practice 3 (Vitoria-Gasteiz's cathedral) is a mixed practice also linked to the project's second objective, enhancing the contribution of CCIs to regional development.

### 4.4.1. Good practice 1: BEAZ, Bizkaia Creative Strategy

BEAZ is a public company financed by the Bizkaia County Council, to enhance growth and competitiveness of the territory's companies through innovative projects. BEAZ works with companies both in start-up and consolidation phase, and thus developed series of adapted tools (aid programs, mentoring, incubators) including some designed especially for CCIs industries (networking, film commission, public-private cooperation). BEAZ succeeds in binding economic development and CCIs.

### 4.4.2. Good practice 2: ZAWP (Zorrotzaurre Work Art in Progress)

Bilbao is experiencing a broad and long-lasting urban urbanistic revitalization plan, which could last 15 years more. During this in-between phase, where some industrial areas are demolished, while some others are still waiting to be renovated, a cultural non-profit organization decided to act, and to support cultural and economic opportunities occupying these sites in transition. ZWAP became a broader movement involving citizens, acting like a social innovation platform in a changing urban environment.

#### 4.4.3. Good practice 3: Vitoria-Gasteiz’s cathedral of Santa Maria

Vitoria-Gasteiz’s cathedral renovation does not only deal with main building works, or technical innovation. A Development and Conservation Plan has been drawn up by the Cathedral Foundation, aware of the social value of the cultural heritage of the cathedral. This plan is a reference of social innovation, since all four thematic lines are intended to enhance value and raising public awareness around all interventions. The program has been labelled “Open for Works”: instead of closing its doors, the cathedral will open them even more to show and highlight all work challenges and operations.

**TABLE 18**

**Basque Country: Good Practices distributed along the value chain and the sectorialization**

VALUE CHAIN	IMPACT ON		
	CULTURAL	MIX	CREATIVE
COMPETENCE DEVELOPMENT			
CREATION		GP2 ZAWP	
ENTREPRENEURSHIP			GP1 BEAZ
INNOVATION	GP3 Cathedral		
GROWTH			
FINANCING			

CODE	DESCRIPTION	POSITION
GP1	<b>BEAZ</b> - public company of the Department for Economic and Territorial Development of Bizkaia’s County Council. Its mission is to contribute to the competitiveness of the companies of the region via implementation of the policies set out by the latter and developing support services	Value Chain – <b>ENTREPRENEURSHIP</b> Impact on <b>CREATIVE</b> Industries
GP2	<b>ZAWP Bilbao</b> (Zorrotzaurre Art Work in Progress) - exercise of reflection and interpretation which, in turn, works on the economic and social regeneration of a degraded industrial area through the creation of opportunities based on culture and creativity.	Value Chain – <b>CREATION</b> Impact on <b>CULTURE</b> and <b>CREATIVE</b> Industries
GP3	<b>FCSM</b> (Fundación Catedral Santa María) – generation of a model for Heritage conservation and development, based on innovative social vectors.	Value Chain – <b>GROWTH</b> Impact on <b>CULTURE</b> Industries

# 5/ SWOT ANALYSIS OF THE CCI SECTOR



The SWOT analysis is based on various studies carried out about the policy mix on CCI, especially the study of Sinnergiak 2014 entitled “*Cultural and creative industries in Euskadi. Present and Future*”, published by the Basque Observatory of Culture. With all the available information, a working session was held in 2018 with the Basque stakeholders to share, discuss and adjust both the SWOT analysis and the Conclusions of this report.

**TABLE 19**  
SWOT analysis Basque Country

STRENGTHS		WEAKNESSES	
1	Impact of CCIs on the economy and employment	1	The scarce internal articulation: lack of the sense of belonging
2	The global trend to increase the consumption of culture and creative services	2	Lack of coordination in multilevel-governance on CCIs
3	The level of qualification and experience of human capital	3	The precariousness of the business structure: size and legal personality
4	Confidence in one's own capacity: people, organizations, products, services	4	Financing difficulties, as limit to the increase of the clients and the expansion of the markets
5	The orientation to innovation in the creation and development of products and services	5	The lack of definition and identification of the sector: subsectors, members, activities
6	Diversity and potential of cultural and creative activities as a new sector	6	Lack of cooperation culture with professionals and companies in the CCI sector
OPPORTUNITIES		THREATS	
1	Growth potential of non-technological innovation within the Basque Industry (new transversal policies, rise of aid program intended to social and cultural innovation)	1	Globalization High level it imposes to be competitive in an open market Low acceptance of alternative cultures, and sector market-oriented
2	Increase and new habits for cultural and creative activities (at work or during spare time)	2	Switch of priorities for public institutions: social at the expense of culture
3	Digitalization (which could also be a threat)	3	Lack of cultural patronage and restructuring of social departments and foundations of banks
4	RIS3 Specialization at two levels: a European strategy, and a local opportunity to focus on CCIs	4	Difficulty to price goods and services of CCIs
5	Economic revival	5	Cannibalization among CCIs sub-sectors (the most important ones get over the weakest ones)
6	Prioritize the strategies of harmonization and diversification according to the potential of the CCI-s”	6	Insufficient visibility measures for the CCI sector

## 6/ CONCLUSIONS

In the 2018 working session with the Basque stakeholders, the different CCI dimensions collected in the mappings and in this report were analyzed. After a lively debate, these are the conclusions that were agreed in the case of the Basque Country.

**TABLE 20**

SWOT conclusions, Basque Country

<b>1</b>	Being a sector “under construction” it seems convenient to define and quantify the CCI sector in the Basque Country, so that systematic information upon the sector can help to formulate policies suitable to the situation of the sector and its evolution.
<b>2</b>	For a real internal articulation of the sector, starting up transversal training and development programs in innovation can give interesting results in the mid-term objective.
<b>3</b>	With the aim of improving multilevel governance in the sector, it can be helpful to advance smart specialization as a tool at the level of territories and capitals, so that territorial priorities could be deployed in a coordinated manner, based on existing assets.
<b>4</b>	The development of the existing CIS RIS3 piloting group is a key point to ensure the coordinated structuring of the sector, and to shape a sector with a growing potential for development.
<b>5</b>	Promoting transversal innovation projects between different CCI sub-sectors and with other priority areas of the RIS3 strategy may lead to the opening of new business lines.
<b>6</b>	A greater presence in the media and European agendas of the results of the CCI programs and projects can improve the confidence of private investors as well as of financing entities.

## 7/ ACKNOWLEDGEMENTS

In the elaboration of this report, the members of the Creadis3 team as well as the stakeholders and the representatives of the good practices of the Basque Country have DIRECTLY collaborated. The Basque Observatory of Culture has also contributed with its knowledge regarding data and assessments. More indirectly, all the entities represented by the RIS3 CCIs piloting group have collaborated with their contributions, as well as the organizers and participants in the KSI BERRITZAILE program.

For all of you our sincere thanks for your valuable participation.



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