CREADIS3
Interreg Europe

CREADIS 3: REPORT ON TERRITORIAL DIAGNOSIS. WALLONIA

Analysis of the cultural and creative industries' sector in Wallonia.
Public Service of Wallonia
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INDEX

1/ GENERAL INTRODUCTION

1.1. The Creadis3 Project

Introduction

CREADIS3 addresses the issue of innovation driving territorial development through non-technological forms of innovation. To tackle economic, social and environmental challenges, innovation is needed, not only based on the technological sectors but in allying these sectors to culture-based creativity.

Main objective of CREADIS3

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. It is declined in 2 priority themes: Improving institutional governance and Boosting CCIs contribution to regional development.

1.2. Wallonia and the CREADIS3 Project

Main objective within the project

Thanks to the CREADIS3 project, Wallonia aims at developing / improving the Creative Hubs policy in order to reinforce the creative dynamics on the territory and to create a cooperation mindset with the ecosystem. The creation of the Walloon Hubs were encouraged under the Creative Wallonia programme which aims to impulse at the local level a new creative economy dynamics by fostering collaboration between CCI's and "traditional" industries. The goal of each Creative hub is to boost in its territory the creative entrepreneurship and to convert the "traditional SME's" to the creative economy.

With the CREADIS3 project, Wallonia will also share the results and experimentations of the Creative Wallonia programme and the Walloon European Creative District project as well as it will learn from other experiences to improve its own policy mix and toolbox.

Author and history of the report

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2/ REGIONAL CONTEXTS

2.1. Territory's general profile

Wallonia is one of the 3 regions of the Belgian federal state along with Flanders and Brussels-Capital. In addition to the regions, Belgium is also divided into 3 communities: the Wallonia-Brussels Federation/French Community that covers French-speaking people living in Wallonia and in the Brussels-Capital region, OstBelgien/German Community that concerns the German-speaking people living in Wallonia, and the Dutch-speaking community/Flemish Community.

The competences of the regions include the economy, employment, tourism, environment… while the competences of the Communities include education, culture, justice, sport…

Each region is divided into provinces that are subsequently subdivided into municipalities.

In 2015, Wallonia has adopted its economic redeployment strategy: the Marshall Plan 4.0 whose goals include the development of an industrial innovation's policy, also known as the regional Smart Specialization Strategy. The Walloon S3 strategy is mostly focused on its competitive clusters. The Walloon competitive clusters are groupings of companies, training centres and public or private research units in a leading sector of the economy, for instance logistics&transports, aeronautics&space, sustainable chemistry & materials, biotechnology&health, agro-industry and mechanical engineering. Beside those sectoral specialization domains, the Walloon S3 also emphasizes on 4 transversal axes: digital&ICT, SMEs internationalization, resources efficiency and creative economy. This final axe aims at stimulating creativity and innovation (also non-technological) in order to boost the economic regional development.

Wallonia covers an area of 16.844,3 km², which represents 55.2 % of the Belgian territory. Wallonia is composed of 5 provinces: Hainaut, Brabant Walloon, Namur, Liège and Luxembourg with a total of 3,602,216 inhabitants (32% of the Belgian's population) which brings the population density to 214 inhabitants/km² (2016).

In 2017, the Walloon GDP was 92 billion constituting 23% of the Belgian GDP which represents a growth of 1.1 % in comparison with the previous year. In 2016, the average income per capita is 24,736 Euros. It is 15% higher than the EU average. The unemployment rate reached 9.8% in 2017. It has been dropping since 2014 when it peaked at 12%. Youth unemployment rate is still high at 27.9%.

Expenditure on research and development represented 2.47% of the GDP in 2015.

In 2017, Wallonia counted 106, 606 companies, essentially SMEs, and 142, 170 self-employed people[1].

2.2. Territory's CCI profile

The Walloon Smart Specialization Strategy includes the creative economy (as a transversal axe) in its scope and therefore identifies the CCI's sector as an important sector with a strong innovation potential. One of the specificity of the Wallonia S3 is that it has a holistic vision of creativity and aims at spreading creativity among all the economic sectors through, for instance, methodologies and cross sectoral collaborations. In order to implement this strategy, Wallonia designed a programme that puts creativity and innovation at the centre of the Walloon regional development: the Creative Wallonia programme. This "8,000,000 € budget per year" programme is the first economic programme in Wallonia that takes into account CCIs and non-technological innovation as relevant for developing a more competitive economy.

Regarding CCIs specifically, one can notice a strong polarization of this sector on Brussels, the Belgium's capital, which attracts number of creators due to its cosmopolitan atmosphere and cultural potential. Therefore, Wallonia has naturally developed a multipolar economic landscape. Several urban centers in Wallonia co-exist and have their own economic ecosystem: Liège, Namur, Charleroi, Mons, Louvain-la-Neuve, Arlon, Tournai… Each city has also its own history and cultural heritage that define its propensity to develop a real ecosystem around CCIs. The public authorities in Wallonia have adapted to that decentralized territorial context by starting the Creative Hubs policy in 2014. The policy was somehow a territorial output that came out from the Creative Wallonia programme launched in 2010. Urban centers are thus currently developing their Creative Hub according to their cultural, social and economic background. However, the hubs are not limited to the CCIs' sector but cover the whole sphere of creativity and innovation processes.

1 Figures based on VAT numbers.

Due to the competences' distribution between Wallonia and Wallonia-Brussels Federation, the CCIs' sector belongs to both entities entering simultaneously in the cultural and economic fields. That governance specificity has probably delayed the inclusion of CCIs in public policies. It is only recently, through the global notion of creativity, that Wallonia has taken into account this sector in its policies.

In Wallonia, collaborations between the CCIs and other enterprises are often limited to customer-supplier relationships. The CCIs' contributions and inputs to classical industries remain punctual and downstream. It clearly appears that the CCIs potential is actually underestimated. The CCIs' sector also lacks structure because of the small size of its enterprises and the diversity of its sectoral scope. A better structural organization and specific policies could help the CCIs find their place in the overall economy.

In 2014 a study was conducted by the Walloon Institute for Evaluation, Forecasting and Statistics (IWEPS) over the CCIs economic weight at the request of both Wallonia and the Wallonia-Brussels Federation. It is the most recent study that really describes the scope of CCIs by using a coherent statistical methodology. 12 sectoral domains have been selected based on the NACE codes 2008 (5 digits): architecture, plastic arts, audiovisual, design, cultural education, book and press publishing, cultural entertainment, fashion, heritage/archives/libraries, advertising, performing arts and inter-domains.

According to this study, the level of employment in the CCIs in Wallonia and Brussels (self-employed included) reaches 5.4 % of the whole employment rate. In Wallonia, 60,000 people are working in the sector and represent 4.9% of the whole regional employment rate. The predominant sectors in Wallonia are books and press publishing (15%), design (13%), fashion (14%), cultural education (11%) and architecture (9%).

It is interesting to note that the landscape is quite different for Brussels with audiovisual (18%) and advertising (17%) sectors climbing at the first place of the CCIs employment rate.

The turnover for the CCIs' sector in Wallonia rises to 6.9 billion Euros representing 4.4% of the Walloon overall amount. In Brussels, it climbs to 12.9 billion Euros and represents 6.3% of the overall turnover. The added value of CCIs in Wallonia is equivalent to 3 billion Euros generating a 4% share of the GDP. At the top of the most "rentable" activities in Wallonia stands publishing and design. A small decrease of the Walloon CCIs global added value had been noticed between 2008 and 2011 but it is not significant for nowadays studies.

Nevertheless, the added value of cultural and creative industries is higher than that of the pharmaceutical industry and of the automotive industry.

Another statistical work has been driven by the Public service of Wallonia in April 2018 in order to evaluate the number of CCIs companies and self-employed people using more or less the same NACE selection than the IWEPS study in 2014. The number of CCIs' companies was calculated taking into account the NACE codes 2008 (but 4 digits) in the following economic activities: advertising, architecture, design, designer fashion, music, visual arts, performing arts, publishing of books and news, motion, film, video, radio, TV, heritage, software, computer games, electronic publishing, photographic activities, translation and interpretation, reproduction and recording, intellectual property. In order to simplify the presentation for the mapping 1 (see further in the report), those activities are gathered in 10 sectors: Advertising, architecture, design, fashion, music/visual/performing arts, publishing, audiovisual, cultural heritage, video games & software, multidisciplinary (for reproduction, recording, intellectual property, translation, interpretation). Therefore, one can say that Wallonia counts 10,391 companies[2] in the CCIs' sector and more than 80% of them work in the fields of architecture (32%), music, visual and performing arts (22%), advertising (12%) and publishing (17%). Audiovisual and design companies follow by representing respectively 6% and 3% of the CCIs entrepreneurial mass but those sectors, along with architecture, lightly increased the number of their companies these past years. If we count self-employed people in the CCIs' sector, we double the entrepreneurial mass and reach about 20,000 companies/self-employed people in the CCIs' sector in Wallonia.

2 Figures based on the companies' annual accounts certified by the Belgium National Bank.

3/ CCI-S SECTOR ANALYSIS: EVOLUTION AND CURRENT SITUATION

3.1. Evolution

The CCIs' sector development is quite recent in Wallonia. Starting with audiovisual in the early 2000s, the rest of the cultural and creative industry was slowly taken into account over the years. The most significant historical facts are detailed in the table hereunder.

DATE	FACTS & FIGURES
1999-2001	The Palme d'Or of Rosetta in May 99 in Cannes is a turning point that resulted in the creation of Wallimage, a Walloon institution that supports audiovisual productions and enterprises.
2004	Created in 2004, the tax shelter provides an incentive for companies to make investments in films, TV series and all types of audiovisual productions by giving them tax advantages.
2005	The holding of the "Etats généraux de la culture" in 2005 highlighted the fact that a whole part of the cultural sector was not covered by traditional cultural public subsidies: the CCIs.
2006	At the request of the European Commission, the KEA study on the Economy of Culture in Europe assessed the economic and social importance of the cultural sector for the first time at the EU level and had a catalytic effect on the CCIs sector in Belgium.
2007	Launch of the Twist Cluster, the main business cluster active in the sector of digital audiovisual and multimedia technologies in Wallonia.
2009	Creation of St'art Invest, the investment fund for CCIs
2010	The Belgian Presidency of the Council of the European Union highlighted the potential of the cultural and creative industries and the links between culture and innovation, in a perspective of economic as well as social development.
2010	Launch of the Creative Wallonia programme that places creativity and innovation in the centre of the Walloon economy.
2013	Wallonia established as European Creative District by the European Union.
2014	Beginning of the Creative Hubs' policy in the Creative Wallonia programme's framework
2014	At the request of both Wallonia and the Wallonia-Brussels Federation Governments, the IWEPS study on the economic weight of the CCIs defined for the first time the scope of the CCIs in Wallonia and Brussels based on a specific methodology and using the NACE codes.
2015	The city of Mons has been elected as the European Capital of Culture and has developed an ambitious actions programme focused on cultural and creative industries.
2015	Adoption of the Walloon Smart Specialization Strategy with creative economy as one of the transversal axes. Recognition of the CCIs potential of innovation.
2017	Since 1 February 2017, the tax shelter system is extended to performing arts.
2017	Involvement of the Public Service of Wallonia in the RCIA and CREADIS3 Interreg Europe projects in order to improve the governance around the CCIs and their contribution to the economy.

3.2. Current situation

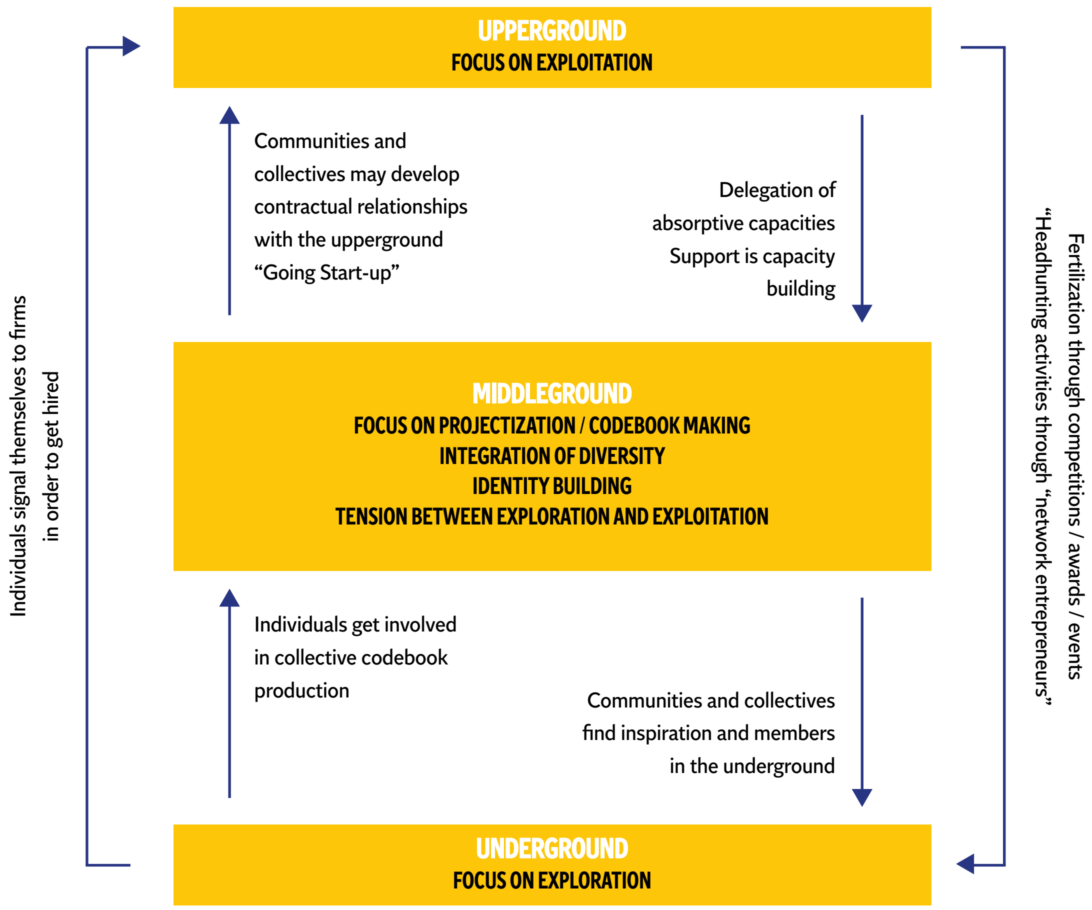
Wallonia does not have a specific CCIs regional strategy but since 2010 the Creative Wallonia programme has considerably impacted the whole sector. Creative Wallonia was really a key milestone and generated interest among other policies. Since 2015 the Walloon Smart Specialization Strategy clearly includes the creative economy as a transversal priority.

POLICY NAME	SECTORS TARGETED	MAIN FEATURES	ON-GOING STRATEGY
CCIS' INVESTMENT POLICY: **THE TAX SHELTER**	Audiovisual, performing arts sectors	Tax incentive allowing any company to benefit from a tax exemption of 150% on the amount invested in an audiovisual production.	Federal Belgian Finance policy (since 2004)
CCIS' INVESTMENT POLICY: **WALLIMAGE ENTREPRISE SA**	Audiovisual sector	The fund intervenes by taking a minority share in the capital, with a bond loan part, sometimes convertible in actions or via a subordinated loan.	Audiovisual investment policy of both Wallonia and Wallonia-Brussels Federation (since 2000s)
CCIS' INVESTMENT POLICY: **ST'ART INVEST**	CCIs in general (the audiovisual sector excepted)	The fund operates in the form of loans and the acquisition of equity. Regardless of the type of funding, St'Art restricts its interventions to 50% of the entity's funding requirement.	CCIs investment policy of both Wallonia and Wallonia-Brussels Federation (since 2009)
INNOVATION POLICY BASED ON CREATIVITY AND CROSSOVERS / CREATIVE START-UPS POLICY: **THE CREATIVE HUBS**	CCIs in general	"Third places" that bring together enterprises, universities and associations in order to foster the creative mindset and tools enabling innovation.	Creative Wallonia (since 2010)
CREATIVE START-UPS POLICY: **BOOST-UP CREATIVE INDUSTRIES CALL FOR PROJECTS**	CCIs in general	Call for projects addressed to self-employed and SMEs of the creative industries. 40.000€ grant to promote the launch of innovations.	Creative Wallonia (since 2010)
INNOVATION POLICY BASED ON CREATIVITY AND CROSSOVERS: **THE COWALLONIA NETWORK**	All sectors	Co-working network of 8 spaces designed to stimulate creativity	Creative Wallonia (since 2010)
OPEN AND USER-DRIVEN INNOVATION POLICY: **THE LIVING LABS**	CCIs in general with the CLICK and Gastronomy with the Smart Gastronomy Lab	Places to develop innovative products and services by placing the user at the heart of the innovation process.	Creative Wallonia (since 2010)
CLUSTERING POLICY: **BUSINESS CLUSTERS**	Information and communication technologies with the ICT-Infopôle Cluster (especially serious games and transmedia) and digital technologies for image, sound and text manipulation with the TWIST Cluster	Both clusters' goal is to unite the professionals, entrepreneurial and academic skills of the sectors targeted in order to constitute a pole of excellence.	Smart Specialization (with creative economy and high SMEs potential as one of the 4 axis)
DIGITAL POLICY FRAMEWORK	Digital	Digital Wallonia sets the priorities and goals for digital public policies and the support framework for private initiatives to promote the digital transformation.	Digital Wallonia (since 2015)

3.3. Creative Districts

In 2013, after 3 years of implementation of the Creative Wallonia programme, Wallonia started the “Wallonia European Creative District” (WECD) project according to the label it has received by the European Commission. WECD was not an action programme but a study programme with pilot actions. It enables the Walloon Region to experiment a governance model and some useful tools in order to demonstrate the role of the creative economy and the creative industries in the regeneration of the regional economy in a given period of time and in the European context. The WECD project analyzed and tested what could be the most relevant to boost the creative sectors in 4 domains: improving creative skills and education, improving business support, improving access to finance and facilitating clusters and networking activities, using a 4 points methodology: integrated approach, policy mix, collective intelligence and iterative process. The WECD project’s conclusions were used to improve and enlarge the Creative Wallonia programme. With an 8,000,000 € budget per year, the Creative Wallonia programme really adopts this WECD holistic vision of creativity by tackling different sectors, reaching different actors (businesses, public sector, general public, educational institutions) and dealing with different types of actions (stimulate creativity; training on creativity; support creative and innovative people in their projects or new practices; scale up the entrepreneurs with strong potential). But because of the decentralized territorial context of Wallonia (see supra 2B Regional context: territory’s CCI profile), a general and unique model of Creative District for the whole Region was considered not entirely relevant.

Therefore, since 2014 the Creative Wallonia programme pushed forward the Creative Hubs policy which is the local anchorage of the programme. The underlying theory about the Creative Hubs is related to three different layers: the underground, the middleground and the upperground. Each layer plays its role in the creative process. The informal micro-level of the underground gathers actors who explore and suggest freely new creative ways; it is the world of artistic expressions, creative ideas, authenticity, sincerity released from the constraints of the institutionalized upperground. The latter represents the formal macro-level of established firms, clusters, public organizations who have access to the commercial and industrial market. Because the underground and the upperground function on entirely different modes, they only rarely interact together. For this reason, the communities of the middleground play this role of binders and act as intermediate structures allowing for the creative ideas to transit from an informal micro-level to a formal macro-level. The Creative Hubs policy in Wallonia was thought in order to create this middleground and therefore to boost the creative sectors supporting an iterative process between the under and upper grounds.



Nowadays, the Creative Hubs policy continues to be the long-term key instrument in making Wallonia a global Creative District.

7 Creative Hubs are located in different Walloon cities and currently working to be the Walloon local creative hotspots by bringing together creative minds, CCIs, public institutions and cities, innovative companies, universities, innovation centres, local development actors... Each hub is strongly anchored in its territorial, social and cultural ecosystem meaning that services and actions can differ from one hub to another. Walloon Creative Hubs appeared in an industrial economic policy context and are therefore rather market-oriented. One of the hubs' goal is to strengthen the links between the CCIs and traditional industry.

Walloon Creative Hubs

7 CREATIVE HUBS	LOCATION	MAIN TERRITORIAL SPECIFICITY	MIXED GOVERNANCE (PROJECT LED BY...)
OPENHUB	Louvain-la-Neuve	Essentially university town, important student audience, deep connexion with enterprises, strong entrepreneurship spirit, high technological potential	University
WAPS'HUB	Tournai	Semi-rural area at the very west of Wallonia, cultural and historical city connected to the North of France and Flanders	Territorial development agency + a non-profit organization created specially to manage the creative hub
TRAKK	Namur	Capital of Wallonia, at the junction of road and rail tracks linking Brussels to Luxembourg and Liège to Tournai, university town, peaceful, historical heritage	Territorial development agency + University + non-profit organization organizing cultural and digital events
CREATIVE VALLEY	Mons	Focus on cultural heritage and creative sectors in line with Mons 2015	City + University + Territorial development agency + non profit organization for the Fab lab
PLUG-R	Liège	Dynamic city ("burning city"), economic pillar of Wallonia, industrial past, university town, entrepreneurial spirit	University + local investment agency + non profit organizations specialized in (1) design and (2) in creative training
GREENHUB	Arlon	City anchored in a large rural and agricultural area close to attracting Luxembourg, focus on sectors such as wood, agri-food industry and tourism	University
HUB CHARLEROI MÉTROPOLE	Charleroi	Industrial town, coal mines history, regional airport, technological centres.	University + Business Center + Territorial development agency + Research Center

+ 2 satellites hubs in Verviers and Seraing: two small cities close to Liège

The Creative Hubs are meant to cover the following activities even if they specialized according to their territorial forces, opportunities or weaknesses:

- Inspiring, raising awareness about the creative economy in order to stimulate the innovation process by informing and giving networking opportunities (conferences, public events, exhibition etc.)
- Coaching and training in creative and digital methodologies in order to enable creative ideas to emerge and to boost projects.

- Supporting enterprises and innovative projects thanks to creative methods and processes, either collectively or individually.

- Testing, prototyping, creating a product or a service (Fab Labs)

- Offering spaces to creative communities to foster unexpected meetings between various publics and to exercise its creativity (coworking infrastructures, office rental, creativity rooms etc.)

- Passing on, reorienting towards other actors (business centres, funds, local development agencies, innovation centres, export agencies etc.)

4/ CCI-S SECTOR CHARACTERIZATION

4.1. Stakeholders

At the beginning of the CREADIS3 project, the Walloon Stakeholders Local Group (SLG) was composed of the main actors of the WECD project and Creative Wallonia programme. Already involved in the policy learning dynamic about the creative economy, it was quite easy to continue to work with them in this new interregional cooperation project. Those actors are Wallonie Design, St'Art Invest, ID Campus, Creative Wallonia Engine, the Agence pour l'Entreprise et l'Innovation and of course members of the Public Service of Wallonia (Economic Policy Directorate) and representatives of the Minister of the Economy.

Other relevant actors were also contacted such as the Comptoir des ressources créatives, Wallimage and the Walloon Creative hubs (including therefore universities, local development agencies, cities, business centres...).

After a year of implementation of the CREADIS3 project, the Wallonia-Brussels Federation who holds the culture competences (see 2.A Regional context) was contacted and integrated in the SLG.

The SLG is now meant to extend and include both clusters TWIST and Infopole ICT. Therefore, it will cover all levels of governance (regional, communitarian, local) and a good panel of institutions (government, administrations, public and private agencies, private actors through clusters, universities, cities, innovation & business centres etc.).

NAME OF THE STAKEHOLDER	FIELDS OF ACTION	SCOPE
Creative Hubs	CCIs – training – creation – entrepreneurship - growth	Local actors (public and private) including universities, local development agencies, cities, innovation & business centres etc.
Wallonie Design	Design – entrepreneurship – growth	Regional agency
IDCampus	Multisectoral – Education – creativity	Regional agency
Creative Wallonia Engine	Multisectoral – entrepreneurship – growth	Regional agency
the Agence pour l'Entreprise et l'Innovation	Multisectoral – entrepreneurship – growth	Regional agency
Comptoir des ressources créatives	CCIs – entrepreneurship - growth	Regional agency
St'Art Invest	CCIs - Investment fund	Regional and Communitarian institution (both Wallonia and Wallonia-Brussels Federation)
Wallimage	Audiovisual – Investment fund	Regional and Communitarian institution (both Wallonia and Wallonia-Brussels Federation)
Wallonia-Brussels Federation	Culture	Communitarian administration
Public Service of Wallonia –Economic Policy Directorate	Economy	Regional administration
Minister of the Economy	Economy	Regional Government
TWIST cluster	Digital/media - growth	Regional cluster (private representatives)
ICT Infopôle Cluster	ICT - growth	Regional cluster (private representatives)

If the public sector stays the most represented sector, the Walloon SLG is also composed by private institutions and STI (including the presence of the four universities of Wallonia).The SLG participates to the exchanges of good practices by attending the Study Visits organized by the CREADIS3 project. Stakeholders are selected according to their interest and the thematic focus of the Study Visit. The SLG was also consulted for the redaction of mappings and will be closely associated in the Action Plan realization. Meetings are organized twice a year but information and day-to-day works are managed through emails. The SLG was particularly involved in the preparation of the Walloon Study Visit.

4.2. Mapping 1 - Competences

The mapping 1 describes the different levels of governance in Belgium/Wallonia as well as the distribution of competences according to CCIs' sectors and type of actions.

In order to support the CCIs development, two levels of governance have « full » competences in the federal state of Belgium: the Wallonia-Brussels Federation and the Walloon Region (Wallonia). In the field of the CCIs, the Wallonia-Brussels Federation has in particular the competences of Culture, Heritage, Education, Scientific Research and Audiovisual. The Walloon Region has been assigned in particular the competences of Economy, Employment, Professional Training, Innovation and External Trade. It supports cultural and creative industries (design, gaming, architecture, audiovisual, fashion, publishing...) through its economic, innovation-stimulating and employment policies.

Provinces and municipalities are also autonomous entities in Belgium who may act in a large field of competences but under the control of the responsible authorities, either Wallonia or the Wallonia-Brussels Federation according to the competence exercised.

In terms of multilevel governance, Wallonia stimulated the emergence of Creative Hubs. They aim to impulse at the local level a new creative economy dynamics by fostering collaboration between CCIs and "traditional" industries. These Creative Hubs are therefore based in cities and managed at a local level but within a global regional strategy.

Quantitative information and financial resources of Wallonia and Wallonia-Brussels Federation administrations regarding the CCIs cannot be provided. In Wallonia, the budget of the Creative Wallonia programme is 8,000,000 € per year but it is not allocated only to CCIs. It concerns all forms of creativity for all types of actors. The budgets of the Wallonia-Brussels Federation by sector could be defined but we cannot easily access the data.

CCI policies in Wallonia – Sectorial view

SECTORS/ COMPETENCES	WALLONIA - BRUSSELS FEDERATION		WALLOON REGION		ENTITIES UNDER SUPERVISION			
					PROVINCES		CITIES AND INTERCOMMUNAL COOPERATION	
	CULTURAL	ECONOMIC POLICY	CULTURAL	ECONOMIC POLICY	CULTURAL	ECONOMIC POLICY	CULTURAL	ECONOMIC POLICY
AUDIOVISUAL	X			X	No specific sectorial focus	No specific sectorial focus	No specific sectorial focus	No specific sectorial focus
FASHION	X			X				
DESIGN	X			X				
MUSIC, PERFORMING & VISUAL ARTS	X							
SOFWARE & VIDEO GAMES	X			X				
ADVERTISING				X				
ARCHITECTURE	X			X				
CULT. HERITAGE	X							
PUBLISHING	X			X				
MULTIDISCIPLINARY (PHOTOGRAPHY, TRANSLATION, ETC.)	X			X				

+ DIGITAL AS TRANSVERSAL TO ALL SECTORS

TABLE KEY
X = FULL COMPETENCE

Political background

- The Wallonia – Brussels Federation takes actions according to its competences of Culture, Education, Scientific Research and Training.
- The Walloon Region takes actions according to its competences of Economy, Employment, Professional Training, Innovation and External Trade.
- The Provinces, Cities and Municipalities take actions through local initiatives supported by Federation and/or Region policies.

CCI policies in Wallonia – Action's view

SECTORS/ COMPETENCES	WALLONIA - BRUSSELS FEDERATION		WALLOON REGION		ENTITIES UNDER SUPERVISION			
					PROVINCES		CITIES AND INTERCOMMUNAL COOPERATION	
	CULTURAL	ECONOMIC POLICY	CULTURAL	ECONOMIC POLICY	CULTURAL	ECONOMIC POLICY	CULTURAL	ECONOMIC POLICY
COMPETENCE DEVELOPMENT	X			X	√	√	√	√
CREATION	X			X	√	√	√	√
ENTREPRENEURSHIP				X		√		√
INNOVATION				X		√		√
GROWTH (INCLUDING INTER-NATIONALIZATION)	(X)			X	(√)	√	(√)	√
FINANCING	X			X	√	√	√	√

TABLE KEY
X = FULL COMPETENCE
√ = POWER OF INITIATIVE UNDER SUPERVISION

Political background

- The Wallonia – Brussels Federation takes actions according to its competences of Culture, Heritage, Education, Scientific Research and Audiovisual.
- The Walloon Region takes actions according to its competences of Economy, Employment, Professional Training, Innovation and External Trade.
- The Provinces, Cities and Municipalities take actions through local initiatives supported by Federation and/or Region policies.

4.3. Mapping 2 - Regional creative ecosystem

According to the methodological report of the CREADIS3 project and its description of the CCIs' value chain, the mapping 2 describes the actors in Wallonia involved in the different reinforcement actions and how they intervene at each step of the chain.

Starting from "**competences development**", the mapping 2 outlines the different institutions acting in formal learning, long-life learning or professional training such as universities, high schools, competences centres and other specialized agencies. The skills developed are either linked to a specific CCI's sector either linked to general knowledge and practices in creativity and innovation. Then, the "**Creation**" chapter highlights the infrastructures or spaces supporting creation and creators, fostering creativity, boosting ideas and enabling unexpected meetings such as coworking places or shared creative spaces. Incubation practices, prototyping and other **entrepreneurial** aids are parts of the third chapter and present actors such as business centres, Fab Labs or specific coaching associations. The mapping 2 describes next services and tools provided by universities, applied research centres or living Labs (user-driven open-innovation) that can help CCIs to develop **innovations**. Following the starter step, the "**growth**" chapter explains the Walloon acceleration programmes, the clusters acting in CCIs' development and other kinds of networking and support structures. **Financing** the CCIs is the prerogative of public administrations, EU programmes and some specific funds such as St'art Invest and Wallimage Entreprise, but the Tax shelter mechanism is also a very relevant financial incentive for the audiovisual and performing arts' sectors. Finally, the CCIs' value chain ends with "**internationalisation**" pointing out the Walloon sectoral export agencies and the different EU networks and projects.

The visual below tries to summarize the CCIs' ecosystem in Wallonia. The actors in pink are actors entirely devoted to the CCIs while actors in blue can also offer services to traditional enterprises. One can notice that the Creative Hubs can really fill the gaps between the reinforcement actions on a local basis by appearing in the whole CCIs' value chain. They act simultaneously as ideas generators, as services providers (co-working spaces, Fab Labs, training, coaching) and as binders (between CCIs themselves, between CCIs and the classical industry world and between steps of the value chain from competence development to internationalization). It is the reason why they are usually called "third places". Creative Hubs play a key role linking the underground (artists, creative entrepreneurs, informal networks...) and the upper ground (institutions, classical industries, public bodies...).

4.4. Good practices

As regards mapping 1 and 2, and focusing on the governance aspect of the CREADIS3 project, 3 Good Practices have been selected and further described:

4.4.1. Wallonia European Creative District (WECD)

After three years of implementation of the Creative Wallonia programme, Wallonia has been distinguished as a “European Creative District” by the EU and created the “Wallonia European Creative District project” (2013-2015).

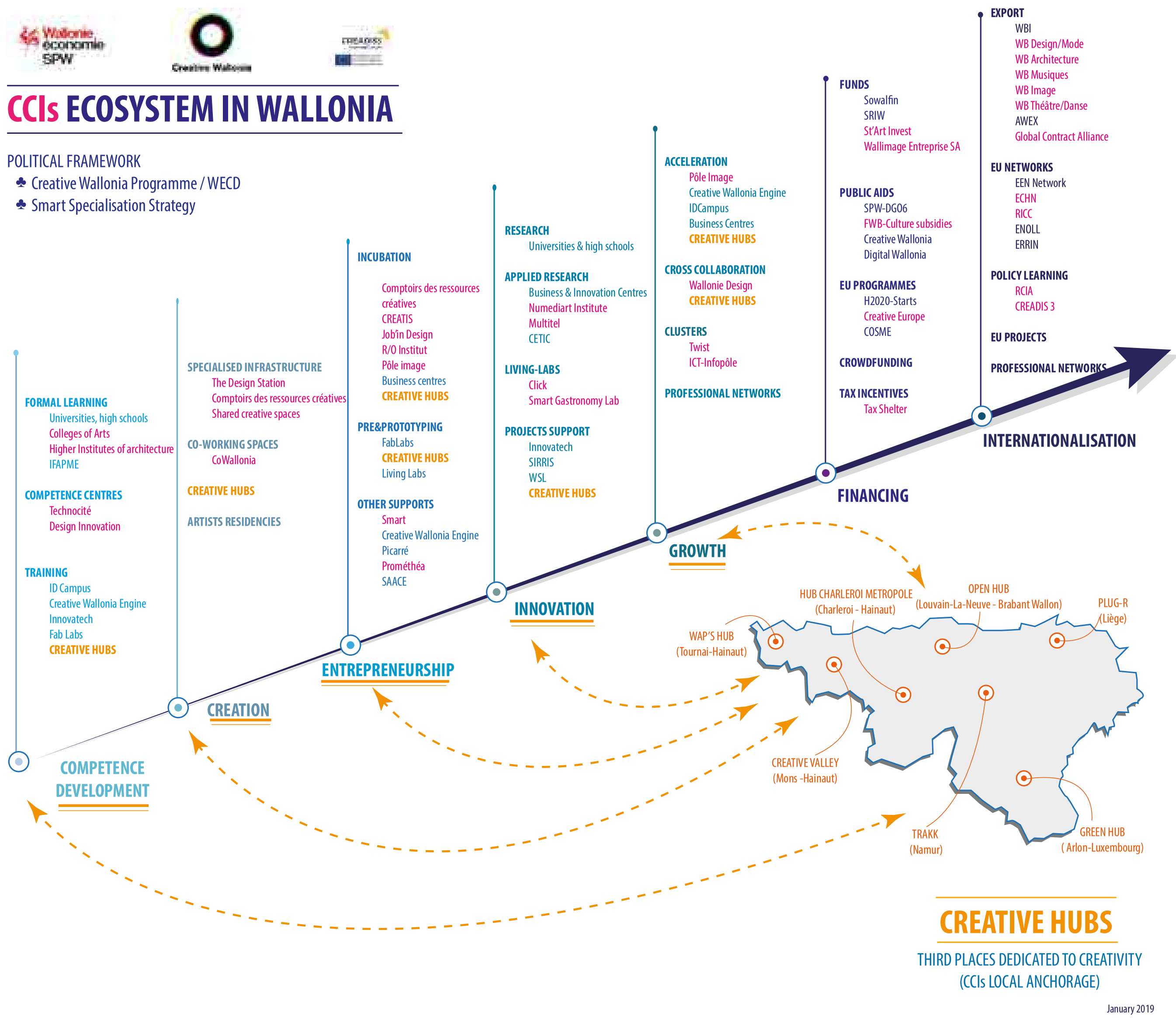
As told earlier, WECD is a study programme with pilot actions. It has tested and analyzed what could be the most relevant to boost the creative sectors in 4 domains: 1. Improving Creative skills, 2. Improving Business Support, 3. Improving Financial Support, 4. Facilitating clusters and networking activities.

Transferability of such a practice belongs to the methodology used in terms of governance, policy mix, collective intelligence and iterative process that led to the conclusions of “why and how to design a Creative District”. But transferability can also happen by replicating some of the pilot actions implemented during the WECD project and which proved to be efficient, for example: specific training program on creativity, creative vouchers, call for specific ICCs projects (Boost-up), coaching investors for the specificities of the CCI and coaching CCI entrepreneurs their access to finance, Creative Hubs as local third places gathering enterprises, universities, creative stakeholders and spirits.

4.4.2. St’Art Invest: the investment fund for CCIs

St’art is an Invest fund in Wallonia and Brussels. It has been created in 2009 through the collaboration of the Walloon region and the Wallonia-Brussels Federation. The aim is to support the development of the creative economy by enhancing the solvability and the growth of the creative SMEs. It has indeed been noticed that cultural and creative industries often have difficulties finding financial resources. During decades, the sector was minimized due to its low-rentable activities, insecure jobs and unpredictable market. Since 2014, a Brussels regional investment company (Finance. Brussels) has joined Wallonia and the Wallonia-Brussels Federation as shareholder of the fund.

The fund operates in the form of loans and the acquisition of equity. Regardless of the type of funding, St’art restricts its interventions to 50% of the entity’s funding requirement. St’art focuses on small and medium-sized companies, including non profit-making entities in the field of CCIs.


CCIs ECOSYSTEM IN WALLONIA
POLITICAL FRAMEWORK
♣ Creative Wallonia Programme / WECD
♣ Smart Specialisation Strategy
FORMAL LEARNING
Universities, high schools
Colleges of Arts
Higher Institutes of architecture
IFAPME
COMPETENCE CENTRES
Technocité
Design Innovation
TRAINING
ID Campus
Creative Wallonia Engine
Innovatech
Fab Labs
CREATIVE HUBS
SPECIALISED INFRASTRUCTURE
The Design Station
Comptoirs des ressources créatives
Shared creative spaces
CO-WORKING SPACES
CoWallonia
CREATIVE HUBS
ARTISTS RESIDENCIES
INCUBATION
Comptoirs des ressources créatives
CREATIS
Job'in Design
R/O Institut
Pôle image
Business centres
CREATIVE HUBS
PRE&PROTOTYPING
FabLabs
CREATIVE HUBS
Living Labs
OTHER SUPPORTS
Smart
Creative Wallonia Engine
Picarré
Prométhéa
SAACE
RESEARCH
Universities & high schools
APPLIED RESEARCH
Business & Innovation Centres
Numediart Institute
Multitel
CETIC
LIVING-LABS
Click
Smart Gastronomy Lab
PROJECTS SUPPORT
Innovatech
SIRRIS
WSL
CREATIVE HUBS
ACCELERATION
Pôle Image
Creative Wallonia Engine
IDCampus
Business Centres
CREATIVE HUBS
CROSS COLLABORATION
Wallonie Design
CREATIVE HUBS
CLUSTERS
Twist
ICT-Infopôle
PROFESSIONAL NETWORKS
FUNDS
Sowalfin
SRIW
St'Art Invest
Wallimage Entreprise SA
PUBLIC AIDS
SPW-DG06
FWB-Culture subsidies
Creative Wallonia
Digital Wallonia
EU PROGRAMMES
H2020-Starts
Creative Europe
COSME
CROWDFUNDING
TAX INCENTIVES
Tax Shelter
EXPORT
WBI
WB Design/Mode
WB Architecture
WB Musiques
WB Image
WB Théâtre/Danse
AWEX
Global Contract Alliance
EU NETWORKS
EEN Network
ECHN
RICC
ENOLL
ERRIN
POLICY LEARNING
RCIA
CREADIS 3
EU PROJECTS
PROFESSIONAL NETWORKS
COMPETENCE DEVELOPMENT
CREATION
ENTREPRENEURSHIP
INNOVATION
GROWTH
FINANCING
INTERNATIONALISATION
HUB CHARLEROI METROPOLE (Charleroi - Hainaut)
OPEN HUB (Louvain-La-Neuve - Brabant Wallon)
PLUG-R (Liège)
WAP'S HUB (Tournai-Hainaut)
CREATIVE VALLEY (Mons -Hainaut)
TRAKK (Namur)
GREEN HUB (Arlon-Luxembourg)
CREATIVE HUBS
THIRD PLACES DEDICATED TO CREATIVITY
(CCIs LOCAL ANCHORAGE)
January 2019

4.4.3. The Creative Hubs policy: the example of Creative Valley, the creative hub of the city

The Creative Hubs were created following a call for projects launched by the Walloon Government as part of the "Creative Wallonia" programme in October 2014. The aim of the Walloon hubs is to encourage the transition from our traditional economy to a creative economy by bringing together creative minds, CCIs, public institutions, cities, innovative companies, universities, innovation centres, local development actors... and by implementing the notions of open innovation, trans-disciplinary hybridization, design thinking and collective intelligence in a local context (see also explanations in 2. B Regional contexts: CCI territory's profile; 3. C CCIs sector analysis: Creative Districts; 4. B and C CCIs sector characterization: mappings 1 and 2).

Following the CCIs-focused event "Mons2015: European Capital of Culture", The Creative Valley hub reinforced its partnership and applied to the Structural funds (ERDF). The hub Creative Valley is somehow a good illustration of a multilevel project: initiated by a local authority (city of Mons) in the context of a regional policy (Creative Wallonia) and co-funded by the EU (ERDF and European Capital of Culture). Regarding the CCIs, Creative Valley is a place as well as an association that structures the whole CCIs' ecosystem in the Mons area. The partnership of Creative Valley includes public administrations, the university, applied research centres, private companies, local development actors... all of them running the hub together. Such a model has a strong potential to develop the CCIs in the whole value chain: Creative Valley proposes simultaneously training, third places to meet and network, programmes to launch projects or develop ideas, advice to innovate or to access financing... The hub addresses all kinds of publics: students, entrepreneurs, companies, local actors, citizens...

5/ SWOT ANALYSIS OF THE CCI SECTOR

This SWOT analysis of the Walloon CCIs' sector was conducted within the Public Service of Wallonia with several agents of the Economic Policy Directorate. But it was also written regarding some literature about the CCIs, for example the recent publication on *"The role of public policies in developing entrepreneurial and innovation potential of the cultural and creative sectors"* (Report of THE OMC - Open Method of Coordination- working group of Member States' experts).

Finally, this SWOT analysis was analyzed and amended by the Stakeholder Local Group in May 2018.

	STRENGHTS		WEAKNESSES
1	Experience, continuity and holistic approach of the Creative Wallonia programme	1	Weak awareness of traditional and financing institutions (public and private) regarding the innovative potential of the CCIs
2	Strong cultural heritage, long tradition of artistic and industrial creativity	2	As Creative Hubs address a large panel of different target groups, risks regarding efforts dilution
3	Belgian multiculturalism	3	Multilevel governance gaps: lack of Wallonia-Wallonia Brussels Federation collaboration and lack of frameworks for cross sectoral collaboration in the public administration
4	Top-down and bottom-up approaches of the Creative Hubs policy + local anchorage	4	Too little involvement of the private sector and no specific Cluster for the whole CCIs' sector
5	Some specific financing tools to develop further: St'Art Invest, Wallimage Entreprises SA and the Tax shelter scheme	5	Weak promotion of crossovers between cultural and creative sectors and other industrial and societal areas in support structures
6	Dynamism and originality of the sector	6	Small size of the Walloon territory making difficult for CCIs to expand or access the market (brain drain).

	OPPORTUNITIES		THREATS
1	Start of integrated strategies for the CCIs at the European level that foster the collaboration of the different regional ministries concerned	1	Poor consideration for creative entrepreneurship and insufficient and/or inefficient communication about CCIs added value
2	European financing and benchmarking thanks to the structural funds	2	Digitalization and artificial intelligence at the expense of creativity and artistic quality
3	Tools and services recently developed by the public authorities to foster creative entrepreneurship and creativity at the local and regional levels	3	Difficulties in understanding this heterogeneous and fragmented sector
4	Strong political will	4	Decreasing public budget to co-finance structures and tools dedicated to the CCIs
5	Stronger focus on social and non-technological innovation	5	Low rentable activities but also lack of studies highlighting other quantitative and qualitative impacts
6	The digital transition that involves creativity in all economic spheres	6	Employment instability

6/ CONCLUSIONS

CONCLUSIONS	HOW COULD WE FACE IT?
Wallonia has a strong CCIs development potential according to the regional strengths and opportunities analyzed.	This strong potential needs to be promoted towards the entire economic and political sphere. Improving the communication strategy.
The Walloon Creative Hubs are the core of the regional policy that targets the CCIs and they appear all along in the CCIs value chain.	The Creative Hubs have to be further supported and their role and scope of actions better specified. The common regional strategy could be strengthen in order to support territorial objectives.
Architecture, advertising, music, visual and performing arts, publishing, audiovisual and design are the main sectors covering the CCIs in Wallonia.	It could be interesting to analyze further the strengths, opportunities, weaknesses and threats of each CCIs' sector in order to develop specific actions or improve them - among others - through international collaborations.
Wallonia clearly needs to structure further the governance of the Creative Hubs and the whole CCIs' sector by involving the Wallonia-Brussels Federation.	Starting by involving the FWB in the CREADIS3 project through the SLG, then building the future Action Plan in dialogue, and building a concrete collaboration between both governmental entities.
Wallonia has to develop further the tax incentives and financing tools regarding the specificity of the CCIs' sector.	Developing more coaching sessions for investors, improving and increasing capacity of the CCIs call for projects' system, facilitating CCIs accesses to EU programs, improving the Wallimage and St'Art Invest funds' mechanisms and collaboration.
Wallonia needs to promote further the CCIs added value and encourage public-private partnerships as well as the collaboration between CCIs and traditional industries.	Through the Creative Hubs but also through new tools, services or mechanisms (financial or not).

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