

# REGIONAL CREATIVE INDUSTRIES ALLIANCE

**LOCAL ACTION PLAN**  
**North-West Region of Romania**

**From European recommendations to better regional CCI policies  
for a more competitive economy**

## Summary

PART I – GENERAL INFORMATION .....	2
PART II – POLICY CONTEXT .....	3
PART III – CREATIVE INDUSTRIES WITHIN THE NATIONAL AND REGIONAL CONTEXT .....	6
PART IV – DETAILS OF THE ACTIONS ENVISAGED .....	8
ACTION 1. SETTING UP A CREATIVE INDUSTRIES TECH INCUBATOR .....	9
ACTION 2. ESTABLISH TRANSYLVANIA FILM FUND .....	15
ACTION 3. REGIONAL CREATIVE VOUCHER SCHEME (PILOT ACTION).....	19
PART V. LIST OF ABBREVIATIONS.....	23

## Part I – General information

Project	<b>Regional Creative Industries Alliance</b> – From European recommendations to better regional CCI policies for a more competitive economy
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NUTS2 region	North-West Region
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## Part II – Policy context

RCIA is an EU Interreg funded project bringing together eight European regions, with the main objective to improve policies and programmes under the Investment for Growth and Jobs goal in order to enhance the competitiveness of the SMEs in the creative and cultural industries. Focusing on supporting the creative SMEs to set impulses for higher growth and competitiveness, the project approach is positioning CCI as "the missing link" throughout sectors and disciplines as innovation drivers, by increasing the attractiveness and innovative image of a city /region/ country, to attract talent, create & retain jobs in the territory and finally, by positioning CCI as a pillar of the competitiveness policy.

The interregional learning process took place within four target areas:

- strengthening the creative SMEs competitiveness by investing in their capacity building and to support their growth on global markets
- adapting various funding mechanisms to the particularities of CCI
- increasing the awareness of the companies from the wider economy on the transformative power and added value of the creative SMEs, for their own competitiveness
- developing, adapting and improving the ecosystem from classic spatial cross-collaboration into a holistic approach

<b>The Action Plan aims to impact:</b>	<input checked="" type="checkbox"/> Investment for Growth and Jobs programme <input type="checkbox"/> European Territorial Cooperation programme <input type="checkbox"/> Other regional development policy instrument
<b>Name of the policy instrument addressed</b>	<b>Regional Operational Programme</b>

In Romania, the **Regional Operational Programme (ROP)** is the same document for all the eight Romanian regions, its allocation and implementation being performed at the level of NUTS II, the North-West Regional Development Agency being Intermediate Body for ROP in the North-West Region of Romania.

RCIA Action Plan targets the Priority Axis 2 the ROP 2014-2020, named **Improving the competitiveness of the SMEs**, enclosing two investment priorities:

- **Investment Priority 2.1.** – Promoting entrepreneurial culture, mainly through economic exploitation of new ideas and encouraging the creation of start-ups, including through business incubators, aiming at the Specific Objective of consolidating the market share of the SMEs acting in the priority sectors identified in National Competitiveness Strategy and in the eight Regional Development Plans.

- **Investment Priority 2.2.** – Supporting the creation and development of advanced production capacity and services of SMEs aiming at the Specific Objective of improving the economic competitiveness through raising productivity of SMEs acting in the priority sectors identified in National Competitiveness Strategy and in the eight Regional Development Plans.

The two investment priorities are dedicated to SMEs (IP 2.1. only urban micro-enterprises and IP 2.2 also rural SMEs) which will be supported for investments in equipment, promotion and internationalization. Business incubators are also eligible to be developed under priority 2.1.B.

As several creative industry sectors are eligible to apply for funding in order to improve their material and immaterial assets, to promote their products and services to the wider economy, to lower energy efficiency costs, but also to improve the internationalization dimension in case of SMEs, there is a strong need to raise the share of the companies acting in the eligible creative industries NACE codes from the total companies applying for ROP, Priority Axis 2, maximizing therefore the impact of ROP measures on the creative industries regional environment.

From the NACE eligible list, SMEs acting in the CCI are the ones targeted in the Action Plan, in relation to the policy instrument addressed. The grouping of the sectors, reflected also in the Regional Analysis of the CCI, has been refined during the Staff Exchange performed by three members of the North-West RDA team in Vienna to the AWS partner, where in depth analysis was performed based on the Austrian Creative Industries Strategy and the annual CCI reports produced in Austria by the Kreativwirtschaft, the Austrian Chamber for the Creative Industries, one of the local stakeholders. Also, the in-depth analysis was benchmarked against the South Tyrol Creative Strategy in the making, very useful in terms of preparation of the strategic measures and action plans, within the staff exchange in Italy, where three of our team members participated. The CCI sectors eligible to apply to the Competitiveness calls within the Regional Operational Programme are:

- **Arts & Crafts:** manufacture of other products of wood, manufacture of articles of cork, straw and plaiting materials, manufacture of ceramic household and ornamental articles, manufacture of other technical ceramic products, manufacture of jewellery and related articles and imitation, other manufacturing
- **Toys:** manufacture of games and toys
- **Music:** manufacture of musical instruments, manufacture of magnetic and optical media, sound recording and music publishing activities
- **TV & media:** motion picture, video and television programme production, post-production, distribution and projection activities
- **IT related:** data processing, hosting and related activities, web portals
- **Architectural** activities
- **Advertising** agencies, media representation
- **Design:** specialised design activities
- **Photographic** activities
- **Museums, library** and archives activities, operation of historical sites, buildings and similar visitor attractions

By the date of the elaboration of the current Action Plan, both Investment Priorities have been closed, since for the North-West Region there has been a rate of over 300% projects submitted, which are currently evaluated and contracted progressively. A reallocation might schedule for the end of year 2019 for the Investment Priority 2.2. to supplement the funding.

North-West Regional Development Agency is the Regional Authority responsible for the ROP policy instrument in the North-West Region of Romania, in its role of Implementing Body. In its role of PP4 within the RCIA project, the North-West RDA will closely monitor the impact of the Action Plan on the policy instrument and will act pro-actively for the attraction of SMEs in the eligible fields of the creative industries. As the CCI might be consider also a transversal field, boosting the competitiveness of the rest of the sectors, we have also covered in the implementation of the project and within the Action Plan actions and measures connected to other sectors, which might be impacted by the expertise and activity of the CCI.

Also, as there is no Cultural and Creative Industries Strategy at national level in Romania, synergies have been ensured with national based policy papers such as *White Charta on the CCI* or documents produced in other Romanian regions following the implementation of Interreg projects, such as the Action Plans on the CCI for the Central or North-East Region.

Synergy with Smart Specialization Strategy in the North-West Region has been ensured, even if CCI as such is not among the targeted areas, but IT related activities being enclosed in the Pillar III – Digital transformation.

Other Growth & Jobs programmes to which the current Action Plan answers with concrete measures are: **Romanian Competitiveness Operational Programme**, from the point of view of research & innovation components, **Romanian Human Capital Operational Programme**, from the point of view of the trainings and enhancing the human resources skills but also from the start-ups point of view. Other complementary programmes are Horizon 2020 and Urban Innovative Actions, through the initiatives and projects enclosing supporting measures for the cultural and creative industries in the North-West Region of Romania.

The elaboration of the RCIA Local Action Plan (LAP) is based on the Interreg Europe template, on the methodology of the RCIA project, with the contribution of the most important organization in supporting the development of the CCI in Europe and beyond, advisory partner Creative Business, through interaction with success stories from partner regions and by the significant contribution of the members of the Local Stakeholders Group (LSG) of the project. LSG consists of representatives of 30 organizations relevant to the cultural and creative sector in the North-West Region, set up along the value chain, with a significant share allocated to institutions that provide local and regional governance. The committee consists of local public authorities acting as decision making bodies but also as funding sources, NGOs, clusters, associations and federations acting in the cultural sector, universities, and SMEs from the creative industries which produce creative content and also in the same time contribute to the appearance, functionality, marketing and promotion of other sectors through their impact and transformative power.

### Part III – Creative Industries within the national and regional context

With a population of over 19,5 million inhabitants, Romania is the 8<sup>th</sup> largest country in Europe, having a GDP per capita of 9600 Euro (among the lowest in EU), within the EU average of 30.000 Euro. With an unemployment rate of (only) 5%, Romania is experiencing among the highest levels of economic growth in the EU (2,5% in the last 10 years, 7% in 2017).

**The North-West Development Region of Romania** is one of the eight NUTS II regions of Romania, being a part of the historical region of Transylvania. The North-West Region has a population of 2.568.730 inhabitants (13.08% of Romania's population) and consists of six counties: Bihor, Cluj, Maramureş, Bistriţa-Năsăud, Satu Mare and Sălaj. From an administrative point of view, the region has 43 cities and towns, 403 communes and 1752 villages, while the 8 Development Regions in Romania are not administrative units but mainly for the use of European Funds purposes.

While 47,5% of the population lives in rural areas, urban areas are covering 14.27% of the region with a total of 1.348.485 inhabitants. The highest population concentrations are in the urban areas, with the highest levels in Cluj-Napoca (332.108 inhabitants, 4<sup>th</sup> on national level), city which adds around 78.000 of students (with high percentage of non-residence). Including the metropolitan area, Cluj-Napoca is the home for almost half a million people, which place it the second urban agglomeration in Romania after the capital, Bucharest, which statistically has over 2 million inhabitants. The region is one of the most ethnically-diverse in Romania. The regional ethnic structure consists of Romanians (75%), Hungarians (18.3%), Roma (4.6%), Ukrainians (1.3%) and Germans (0.3%).

**The business environment** – out of the 81.811 companies active in the North-West Region, 98% being considered SMEs, around 70% are service providers (out of which 27,5% are in the field of commerce and trade activities), 11% industry, 11,6 % construction and 3,5 % in agriculture.

The business structure in the North-West Region is dominated by manufacturing, wholesale and retail trade (low intermediate skill), construction, transportation and storage. Manufacturing is concentrated on low-skill, low-tech sectors including food, textiles and wood, leather and rubber, plastic and metal products.

For services, high-skill/ high-tech sectors are telecommunications, computer programming and related activities, while other dominant high-skill sub-sectors include real estate, architectural & engineering activities and management consultancy.

Among the 11 **clusters** operating in the region, most of them located in Cluj-Napoca, three of them are active in the CCI sector, namely: **Transylvania Creative Industries Cluster** since 2017 (Bronze labelled), Cluj IT Cluster since 2012 (Silver labelled) and IT Transylvania Cluster since 2012 (Gold labelled). Other industries polarizing companies and other stakeholders through cluster structures are found in the following sectors, which could also benefit from the expertise of the creative industries: furniture, energy, agri-food, life-style, environment and advanced materials.

**Smart Specialization Strategy for the North-West Region** – even not considered a regional priority, *cultural and creative industries* are included in the policy mix which boost and supports the enabling of the key smart sector.

**"North-West Development Region will enter by 2034 the top of the most innovative Central European Regions, valorizing the R-D-I activity for raising incomes, occupation and living standards"**



**North-West Region of Romania** (Northern Transylvania) is the second region in Romania in terms of activities and outputs of the Cultural and Creative Industries, after the capital Bucharest. The main city of the region, Cluj-Napoca, is the most active municipality in Romania within this field.

In the last 10 years, the CCI sector has been continuously increasing in the North-West Region, with a growth rate of 10% per year both in terms of number of companies, employees and turnover.

In 2017, according to the official statistical data, in the North-West Region, 6722 companies were active in the field of cultural and creative industries (CCI), according to the 54 NACE codes structured in 10 categories: Archives and libraries; Books and publishing; Visual arts; Performing arts; Audio-visual and media; Software and games; Architecture; Advertising; Cultural heritage (museums, historic monuments, archeology); Crafts. Also, the NGOs in the ICC sector are very active and many of them are undertaking economic activities, contributing heavily to the sector. In 2017 there were 954 NGOs with CCI activity, having 1785 employees but also attracting many volunteers. 61% of these NGOs are acting in the following four sectors: Libraries and archives; Art restoration, cultural heritage; Support activities to performing arts; Cultural education (foreign languages, music, theatre, dance, visual arts, others).

The CCI companies in the North-West Region represent 8% from the total number of companies in the region and sum up 14% of all the CCI companies registered in Romania (40.004 in total). These figures place Northern Transylvania on the second place nationwide, after the Bucharest-Ilfov Region, which gathers 40% of all Romanian ICC companies. There is a significant concentration of the Creative Industries companies in Cluj County, where 57,6% of the CCI companies in the North-West Region have their headquarters, followed at big distance by Bihor County (18,5%). On a more detailed analysis of the NACE codes, most of the companies are acting in the fields of software development (1529, 22% of regional CCI), advertising (739, 11%) and architecture (684, 10%).

The regional turnover of the companies in the CCI field, was estimated at EUR 1.256 mil. in 2017 (more than double compared to 2012), 64% coming from IT consultancy and other software activities, followed at big distance by printing (7,3%), advertising (5,1%) and architecture (2,7%).

There were 33.033 employees in the CCI sector at the level of the North-West Region in 2017, adding other 1785 employed by the NGOs in the field, plus another 965 Registered Physical Persons in the field of the CCI, the sector including many freelancers. The CCI labour force represents 6% of the total employees in the North-West Region and 15% in the CCI sector in Romania.

As for the continuous uptake of skilled human resources and research added value, there are 6 public universities, 5 located in Cluj-Napoca and 1 in Oradea, preparing graduates for the CCI field and carrying out also research based activities in fine arts, arts & design, artistic creation, photography, television and film industry, musical performance, architecture, marketing and advertising.

A series of large-scale **cultural events** taking place in the North-West Region, especially in Cluj County, contribute to the economic development through the multiplier effect generated by the consumption in tourism, public and private transport, HoReCa food and entertainment units: Transilvania International Film Festival (TIFF) at the 18th consecutive edition, Comedy Cluj Festival, Electric Castle Festival (6th Edition), Untold Festival (4th Edition), George Enescu Classical Music Festival (24<sup>th</sup> edition) etc.

**The Creative Industries Excellence Centre** opened its doors this year in 2019, a 13 hectares infrastructure dedicated to ICC, owned by Cluj-Napoca Municipality and co-funded from ERDF. It includes also a non-equipped movie studio, creation workspaces, offices, an open-air theatre and an exhibition centre.

## Part IV - Details of the actions envisaged

The content of the RCIA Local Action Plan is anchored in two main actions performed in Stage 1 of the project:

1) **Local and national exchange of information and documentation**, as for the elaboration of the analysis of the cultural and creative industries in the North-West Region embedded into the European and national framework, trends and data, enclosing a mapping of main CCI stakeholders, coupled with the needs, challenges and solutions pointed out by the representatives of the Local Stakeholders Group through a regional SWOT analysis, along the value chain of the CCI, stemming from local and national transfer of experience.

2) **Interregional exchange of experience** occurred in the field visits and staff exchanges performed in the partner regions, where Agency's team and representatives of the Local Stakeholders Group participated and witnessed directly the benefits of the successful initiatives and realized also the possibility of adopting and sometimes adapting the best practice to local environment.

The following actions are targeted to be implemented during the next two years, performed by local stakeholders, mostly from the RCIA LSG, supported and monitored closely by the RCIA team of the North-West RDA.



## **ACTION 1. Setting up a CREATIVE INDUSTRIES TECH INCUBATOR**

Policy instrument addressed: Regional Operational Programme 2014-2020

### **1. The interregional learning background**

One of the main challenges for the companies, organisations and freelancers acting in the CCI is the physical infrastructure, place and facilities, to carry out the activities, to meet together for creativity exchange but also the skills and competences that complement the creative part, as running a business, reach clients or conquer new markets. During the interregional exchanges performed during 2017-2018, several best practices were encountered, across five of the partner countries in Italy, Spain, Latvia, Belgium and Poland. Five members of the Romanian LSG were able to directly witness those infrastructures and interact with responsible organisations and professionals, exchanging experience and seeding the project ideas for further investments, especially connected with the existing CCI infrastructure in the North-West Region of Romania, mainly the **Regional Excellence Centre for Creative Industries (CREIC), Cluj Hub** and **cultural urban space H33**.

The following best practices acted as inspiration, during the study visits performed during 2017 and 2018, with the participation of the members of the North-West Romania local stakeholders group.

**NOI Techpark** from Northern Italy, Bolzano – brand new infrastructure administered by IDM South Tyrol, build on a former aluminium factory, acts as technology park but encloses also different labs and a business incubator providing services for start-ups. Also, it brings together creative business, scientists and students, boosting initiatives and innovation through constant networking and access to public facilities. The project manager from the North-West RDA together with the



representative of Babeş-Bolyai University from Cluj-Napoca, Faculty of Political Science, Administration and Communication, member of the North-West Region RCIA Local Stakeholders Group participated to the Study Visit organised in March 2018 in Bolzano. On the next LSG meeting, they shared the project idea, the facilities and functionality of the infrastructure and stressed the fact that services and endowments in terms of technical equipment are strongly needed in order to give life and soul to such public infrastructures.

**Liepaja Creative Industries Business Incubator** from Riga, Latvia – managed by Investment and Development Agency of Latvia, is one of the 15 creative incubators of Magnetic Latvia, a public support network infrastructure meant to assist and contribute to the development of CCI in Latvia. In June 2018, two members of the Romanian LSG visited the incubator in Riga and had interactive discussions with the managers of the infrastructure, namely a university representative dealing with creative industries and one representative of a foundation administrating an infrastructure within the national heritage, with multiple roles.



**Canodrom Creative Industries Research Park** from Barcelona, Spain has as main stakeholder the City Council of Barcelona, which provides the facility. The creative infrastructure is privately managed, including selection of foreign start-up entrepreneurs, guiding them through the process of creating and assessing their business model to make it ready to be financed, during 3 up to 6 months incubation process. The actions activated horizontally are access to finance, direct coaching and mentoring services, as well as hosting services & specific training and up to 7 vertical incubation processes related to the content industry of drones, video games, digital creation, media Lab, citizenship, virtual reality and corporate venturing. In November 2017, the local stakeholder from Romania, namely the president of the Transylvania Order of Architects, together with the team members, performed a visit to Canodrom and then shared the successful example to the next LSG meeting in Cluj-Napoca.



Other infrastructures supporting the creative industries were witnessed by the local stakeholders during the study visits in Spain, Belgium, Latvia and Italy, under the shape of **design hubs or FabLabs**, such as Art Factories run by ICUB Cultural Institute of Barcelona, Design Center, FabLab in collaboration with Institute for Advanced Architecture of Catalonia, municipality facility Disseny Hub Barcelona and public facility Design Hub,

run in partnership by Barcelona City Council, Barcelona Design Centre (BCD), Fostering Arts and Design (FAD), Barcelona Design Museum and a library, showing the collaborative approach of the place and its initiatives, having a massive impact at the city level, via its involved districts. **Design Factories/ Stations** were met in Wallonia in



Belgium, in Latvia – RTU Design Factory, within Technical University Ķīpsala, in Italy – Weight Station creative community and also in Poland – Lubartowska 77, benefiting from space but also services, such as workshops, networking events, B2B matchmaking events and business support related services. **Creative Hubs** are also a facility model spread in European countries, mostly privately run and often benefitting from grants following European or local call of proposals, such as ImpactHub and Sektor 5 in Vienna, Austria or the network of the 7 Creative Hubs in Wallonia.

**Kreatiwirtschaft Austria**, the Creative Chamber of Austria, is also supporting start-ups and constantly organising training courses in support of the CCI.

As service in support of the promotion of the creative expertise to the benefit of other sector, the Italian RCIA partner, **IDM South Tyrol**, has shared during the staff exchange performed by the Romanian team in April 2019 a very appealing programme launched this year, **Match! #1**, which connects the creative companies with SMEs from other productive sectors, in order to bring a boost of creativity, both in innovative products or services. The programme is performed in collaboration with Free University of Bolzano, it consists of matchmaking B2B events and also the issue of a creative catalogue with main expertise and outcomes of the SMEs acting in the CCI.



## 2. The regional background

**CREIC – Regional Excellence Centre for Creative Industries** is a brand-new infrastructure owned by Cluj-Napoca Municipality and run by its company, Cluj Innovation Park, being financed from the Regional Operational Programme 2007-2013, objective for Growth & Jobs, with a budget of 12



million Euro. The 13,3 ha functional infrastructure was finally finalized in 2018 and from 2019 opened its doors for CCI stakeholders interested to settle or rent its facilities including: a movie dedicated studio, 5 creation workplaces around 200 sqm each, 2230 sqm for office rent disposed on 4 floors, 1 open-air theatre and 1 terrace for hosting creative events. The target group addressed are companies from cultural and creative industries, universities and research centers, NGOs and think tanks from the field. A CCI cluster was born in the last years at the initiative of Cluj-Napoca Municipality and North-West RDA, in order to create the CCI critical mass and to strengthen the cross-sectoral collaboration among different CCI players in the region.

At the beginning of this year the CCI infrastructure opened its gates and became attractive both for CCI companies such as film industry, arts & design, but also to manufacturing companies for example in the furniture sector, that need design labs and expertise.

### 3. Action

**Incubation** concerns the support given to the entrepreneur from the start up to the expansion phase. This is a midterm process, lasting usually for the first three years of activity of the newly established company. The actions activated generally are access to finance, direct coaching and mentoring services, as well as hosting services and specific training.

The current measure aims at transforming the public infrastructure into a dynamic and vivid place, where creatives can grow and develop, where creative and cross-sectoral links would be established and where the SMEs from the sector can benefit of a range of services. Currently the only service available is the renting offices and spaces which come along with the security and building administration facilities.

In light of the successful examples from the partner regions, mentioned above, next steps would be to set a business and technology incubator within CREIC, to carry out the following set of activities in support of the cultural and creative industries:

2020/01 – 2021/07

➤ to endow the space placed at the periphery of the municipality with equipment to be used by the CCI, such as film industry requisite but also 3D printing and other machines to be used in the design and manufacturing industries, including office facilities, to facilitate the establishment of a FabLab – Makerspace.

2020/03 – 2021/12

➤ to provide support services such as developing training packages aiming to improve the skills of the start ups, both as business support but also developing the creative competences.

2020/03 – 2021/12

➤ to organise thematic events meant to strengthen the cross-sectoral cooperation between CCI and potential beneficiary sectors and also for linking different creative expertise and generate joint initiatives.

### 4. Players involved

- **Cluj Innovation Park – CREIC** Cluj Innovation Park is the company owned by Cluj-Napoca, which administrates CREIC. Cluj Innovation Park will develop its portfolio of services related to incubation and business support, including training packages and endowment of the creative industries available spaces with tech equipment for an open facility FabLab. (targeting ROP and COP)

For complementary actions leading to incubation activities, to be financed from funding sources other than ROP, the following stakeholders can contribute to similar target:

- **Transylvania Creative Industries Cluster**, managed by one of the employees of the Cluj Innovation Park, will contribute to the organization of the events dedicated to the creative

industries, including training and matchmaking sessions. It will also contribute to the attraction and commitment of the SMEs into the incubation facilities and as service beneficiaries. (targeting COP and HCOP)

- **Cluj Cultural Centre**, large association of main public and NGO players acting in the cultural sector in Cluj-Napoca, will be actively involved in organisation of networking events, get-togethers for the creative industries and also to the formulation and delivery of the training packages (targeting H2020)
- **Clusters:** Transilvania IT, Cluj IT, Transylvanian Furniture – Gold and Silver labelled clusters recognized at EU level, will contribute to the cross-sectorial matchmaking sessions, other events dedicated to creatives and to the organisation and delivery of the training sessions (targeting COP, CHOP and Horizon 2020)
- **Other CCI infrastructure or business infrastructure which could approach CCI expertise**, that could develop the same approach in developing the incubation and tech component: H33 – Living Lab, ClujHub, Risky Business in Cluj-Napoca and other potential business infrastructure in other cities in the region (targeting HCOP)

#### 5. **Timeframe**

The activities to be carried out would cover the next two years, 2020-2021

#### 6. **Costs**

An estimation based on already prepared feasibility study would sum up to 2 million Euro: 1,5 for the equipment and the rest for organizing trainings, events and delivery services to CCI.

#### 7. **Funding sources:**

**Main funding source targeted for the incubation package is:**

- **Regional Operational Programme 2014-2020 (ROP) – Priority Axis 2: Competitiveness of the SMEs – Investment Priority 2.1.B: "Promoting entrepreneurial culture, mainly through economic exploitation of new ideas and encouraging the creation of start-ups, including through business incubators, aiming at the Specific Objective of consolidating the market share of SMEs acting in the priority sectors identified in National Competitiveness Strategy and in the eight Regional Development Plans".** Six business incubators will be developed in the next 3 years starting from mid-2019 in the North-West Region of Romania, following the 1<sup>st</sup> call of proposals under this ROP Investment Priority. Two of them have creative component. Another call is envisaged for 2020, local actors within the RCIA LSG being strongly encouraged to apply for funding in order to purchase equipment and to deliver incubation related services.



Additional funding sources, which can complement ROP on the incubation component, adding a wide range of support activities which can feed the incubation role:

- **Competitiveness Operational Programme 2014-2020** – Priority Axis 1: Research, technology development and innovation (RDI) to support competitiveness and business development – Investment Priority 1a: Improving the research and innovation infrastructure and capacity in order to develop RDI excellence and to promote competence centres, especially the ones at European level – Action 1.1. Big R&D infrastructures – Project type – Projects for Research facilities – Project for Innovative clusters. Three years ago, three clusters from the North-West Region won the national competition for this call, in the sectors of furniture, agri-food and energy. The latest call has been launched under consultation in autumn 2019 and will most probably will be launched at the beginning of 2020. Transylvania Creative Industries Cluster is preparing the feasibility study for this forthcoming project, in order to equip the laboratories within CREIC and to be able to approach both the high-tech innovative component and the incubation one within CREIC.



- **Urban Innovative Actions** – initiative of the European Union that provides urban areas throughout Europe with resources to test new and unproven solutions to address urban challenges – *Factories of the Future*, collaborative project to be implemented during 2020-2022 by Cluj-Napoca Municipality, in partnership with Cluj Cultural Centre, Transylvania Creative Industries Cluster, Transilvania IT Cluster, Cluj IT Cluster, Transylvanian Furniture Cluster, University for Arts and Design Cluj-Napoca. Out of this funding source, the RCIA stakeholders partners in this project, will develop and deliver training packages both towards the creatives and other sectors needing the creative boost and will purchase equipment needed for the establishment of a FabLab – Makerspace. Cluj Cultural Centre, another RCIA stakeholder, has launched a pilot project during 2019 by own funds, meant to identify, coach and support creative businesses. Its *Culturepreneurs project* has recently received financing under the UIA initiative and will be carried out also during 2020 and 2021.



- **Human Capital Operation Programme 2014-2020** – Priority Axis 3: *Workplaces for all* – POCU/227/3/8 Raising number of employees which benefit from new instruments, techniques – business support trainings in the sectors identified in the National Competitiveness Strategy/ according to the smart specialization priorities from the National Strategy for Research & Development. Several consortia are carrying our projects financed under this component which will continue to be



implemented during 2020. Transylvania IT Cluster and Risky Business are two stakeholders which will deliver business related training packages for the creatives and creative innovation related for the other manufacturing sectors. They also support the creation and development of the Start-up SMEs in the creative and IT sectors.

## **ACTION 2. Establish TRANSYLVANIA FILM FUND**

Policy instrument addressed: Cluj-Napoca Cultural Strategy 2014-2020, Cluj County Council and Cluj-Napoca Municipality, the biggest city, have mandated since 2012 the Association Cluj Cultural Centre (former established as Cluj-Napoca European Capital 2021) as responsible for the elaboration, implementation and monitoring of the cultural and creative local policy, strategy and action plan.

### **1. The inter-regional background**

Film industry has been expanding continuously, accompanied by new technologies and the era of the digital. This industry is one of the main players within the creative industries, requiring big investments but also gaining wide revenues if successfully promoted. In the latest years, many countries, regions and even municipalities, have launched programmes to attract film producers to shoot in the landscapes of the respective territory or to co-produce together with local players, for a win-win game.

Within the RCIA project, successful examples of public initiatives were discovered in three of the partner countries, acting as inspiration for others who could adapt it and explore it further.

True inspirational initiatives were the following programmes, deeply analysed during the RCIA field visits and staff exchanges:

- **FISA Film Industry Support Austria** – financial incentive programme run by the Austrian Federal Ministry for Digital and Economic Affairs, designed to support the production of cinema films, especially the Austrian film industry, by providing support to cinema films: national productions, Austrian – foreign co-productions and service productions. The objective is to escalate the quality, the attractiveness and therefore the distribution of supported films. The non-repayable grant amounts up to 25% of the eligible costs, awarded competition based. The RCIA project coordinator, AWS, together with Location Austria, the National Film Commission, are responsible for the administration of the programme as well as devise further strategic developments for the Austrian film industry. The economy is therefore being triggered by a flourishing domestic film industry. Film related tourism is also a tangible side effect. The director of the Cluj Innovation Park, company owned by Cluj Municipality, one of the RCIA stakeholder, former counsellor in Cluj-Napoca City Council, participated to the field visit organized by AWS in Austria in May 2017 at the project kick-off and learned the film



fund mechanism. The findings were passed to the team of Cluj-Napoca City Hall, having in preparation the procedure for establishment of a similar fund in Cluj.

- **IDM's Film & Commission – public initiative** since 2010, is supporting film and TV productions shot in South Tyrol with funding and services. Targeted initiatives and a wide range of further trainings are available for local film professionals strengthen South Tyrol's position as a film location and boost the development of its film sector



IDM, one of the RCIA partners, advises and supports production companies throughout the funding process – from the initial consultation and submission of the application to the approval of the grant, project progress monitoring and payment of the funds. North-West RDA team learned the inside details of the film fund both when participating to the field visit organised by IDM in Bolzano in March 2018 as well as during the staff exchange performed in South Tyrol in April 2019.

- **Lublin Film Fund (LFF)** – established by the Municipality of Lublin in 2009, the Film Fund offers technical and management support free of charge to production of films and TV series which present a positive image of the city and surroundings. The aim of the LFF is to promote the city and in the same time to improve the local identity among the citizens through film art, with the long-term objective to increase the tourism activities also. Municipality of Lublin is one of the RCIA project partners, therefore the transfer of experience was performed directly from the parties involved in the initiative. The cluster manager of Transylvania Creative Industries Cluster participated together with the North-West RDA project manager to the field visit organized by the City of Lublin in September 2017 and learned in detail the procedures used but also the challenges of launching and managing such a fund from a municipality. The insides were very useful and the cluster manager has ensured the link with Cluj-Napoca Town Hall, responsible for setting up a similar Film Fund in Transylvania.



## 2. The regional background

In Romania there is a National Film Fund awarding competition-based grants to national producers but the budget is not sufficient as the film industry has developed a lot in recent decades in Romania. North-West Region in particular, is hosting for the past 17 years the Transylvania International Film Festival (TIFF), organized by a Film Association originally from Cluj-Napoca. The Film association is one of the members of the RCIA local stakeholders group.



This year in June, at the last edition of the Transilvania International Film Festival, an InfiniTIFF Manifesto was issued by the Romanian Film Promotion Association and by the Transilvania Film Festival Association and backed up by relevant organisations in Cluj, including the North-West Regional Development Agency. Among the 9 measures set on the agenda of the next period for the audio-visual and film industry, a Regional Film Fund was one of them as financial incentive, anchored into the need of having a local strategy for supporting the audio-visual production, mapping and promotion of local resources and raising the level of the entrepreneurial education.

## MANIFESTUL infiniTIFF

9 direcții de acțiune pentru dezvoltarea unui pol tehnologic pentru producția audiovizuală la Cluj-Napoca

- |  |  |   |
|--|--|---|
| 1. Identificarea arhitecturilor care activează ecosistemul | 2. Dezvoltarea unei strategii locale pentru stimularea producției audiovizuale | 3. Realizarea unui inventar continuu al activelor |
| 4. Inițierea transferului de cunoștințe & Networking       | 5. Promovarea oportunităților și a resurselor locale                           | 6. Stimularea educației entrepreneuriale          |
| 7. Inițierea unei incubator                                | 8. Crearea unor stimulente financiare la nivel local                           | 9. Inițierea unui organism catalizator            |

CREIC, the Regional Excellence Centre for Creative Industries has a movie studio of 630 sqm, designed exclusively for TV and cinema co-productions. The space is functionally projected having soundproof and additional audio recording spaces around it. As being a public investment, it is open for rent but has no film equipment yet included.



### 3. Action

The action targeted is the creation of an Investment Film Fund willing to trigger and to develop the film industry around Cluj-Napoca and beyond, promoting Transylvania as a filming location, taking advantage of both its natural resources such as breath-taking landscapes and castles, including boosting by the myth of Dracula but also involving its skilled people, having dedicated higher education in film production.

The stages of the actions would consist of:

2020/ 01 – 07	➤ Preparation of the legal framework for setting up the Transylvania Film Fund and the availability of the city budget to be allocated
2020/ 01 – 10	➤ Preparation of the documentation related to the Call of Proposal – guide of applicants, criteria, application templates, evaluation rules, financial mechanism
2020/11– 2021/07	➤ Launching the Film Fund and promotion
2021/ 08 – 10	➤ Evaluation of the proposals, projects award and monitoring the implementation of the funded co-productions
2021/12- onwards	➤ Assessing the impact of the funding, the return of investment and the success of the co-productions in the media industry

### 4. Players involved

- **Cluj-Napoca Municipality** – main player, as the Film Fund would be financed from the local municipality budget. Romania is a highly centralized state, following the model of the financial redistribution. The City Council will be in charge of preparing and having approved the allocation of public funds for such initiative.
- **CREIC – Regional Excellence Centre for Creative Industries** – public infrastructure dedicated to Film Industry also, it will be the place where movies can be produced.
- **Association for the Promotion of the Romanian Film and Association for Transylvania Film Festival** – main film industry associations, will have an active role in helping the elaboration of the documentation of the Film Fund and then also attracting foreign movie producers for joint co-productions to apply for the funding opportunities.
- **Transylvania Creative Industries Cluster** – having members within the movie industry, will actively promote the funding opportunities and will facilitate partnerships.

### 5. Timeframe

The activities to be carried out would cover the next two years, 2020-2021.

### 6. Costs

500.000 Euro

#### 7. Funding sources:

- **Local public funds** – Cluj-Napoca Municipality
- **Creative Europe** – the Media Sub-Programme is periodically financing International Co-Production Funds and can act complementary to the financing of the local public allocation for the Film Fund, one year after has been launched. According to the guide of proposal, the applicant must have a co-production fund that has been legally constituted and active for at least 12 months before the deadline for the submission of the application, having as its main activity the support of international co-productions.



**Creative Europe**  
**MEDIA**

### **ACTION 3. Regional Creative Voucher Scheme (Pilot Action)**

Policy instrument addressed: Cluj-Napoca Cultural Strategy 2014-2020, Cluj County Council and Cluj-Napoca Municipality, the biggest city, have mandated since 2012 the Association Cluj Cultural Centre (former established as Cluj-Napoca European Capital 2021) as responsible for the elaboration, implementation and monitoring of the cultural and creative local policy, strategy and action plan.

#### **1. The background**

Vouchers, together with grants and loans, are generally seen as supply-side policy tools, public programmes aiming at increasing the amount and level of supply by firms. Aim of creative vouchers, which often subsidise the collaborative component, is to facilitate demand oriented cooperation in SMEs with the effect of boosting the current business in another sector, by using the skills of the creative industries. This kind of schemes reduces barriers to SMEs' capacity to develop and market new products, services or processes as they support better matching between creative demand and supply and facilitate the access to external knowledge.

As they are limited in scope and amount committed (between 2000 € - max 20000 €, going up to 60000 € for innovative proposals), voucher schemes are usually 'lighter' and 'faster' both in application and reporting than standard grants and this makes them a tool particularly appealing to SMEs.

The voucher schemes are meant to offer the creative expertise to SMEs from all range of sectors, as a service. The suppliers are the creative SMEs, freelancers (acting as registered physical persons) and business-oriented NGOs. On the other side, small and medium enterprises (SMEs) that represent various traditional sectors generally are not aware of the potential benefits from the cooperation with representatives of culture and creative industries.

Following the best practices capitalized from former European Creative Industries Alliance (ECIA), implemented successfully by our lead partner AWS for several years by now and transmitted in detail to the RCIA partners during the kick off meeting in May 2017, the proposal is to implement as first small-scale incentives, in the shape of the Creative Vouchers. AWS run so far 6 calls of proposals in Austria, using the "creative voucher" concept as a low-threshold grant of maximum 5000 EUR that

enables SMEs from all industries to use creative services within the framework of an innovative project. The direct beneficiary is the SME that uses the voucher to buy the service/or product of a creative service provider. The representatives of North-West RDA deepened this good practice also during the Staff Exchange in Vienna, in February 2019.

**AWS and the RCIA stakeholder – Kreativwirtschaft** (Austrian Chamber for Creative Industries) are running since 2013 three programmes having voucher scheme content: *aws impulse XS*, *aws impulse XL* and *Vouchers in Creative Industries* (former VINCI project), aimed to boost innovation within the creative industry itself and in other sectors by making use of creative industries competencies. AWS impulse XS and XL is a grant-based program for projects in all industries aimed at testing the substance and commercial feasibility of an innovative product, process or service within the context of the creative industries. In order to be eligible for the XS and XL funding, the creative output or the creative contribution of the project should define the innovation and be within one or several of the following areas: design, architecture, multimedia/games, fashion, music, audio-visual and film, publishing, printing, advertising or the arts market. While the XS programme supports projects of high potential and in the proof-of-concept phase, where the commercial and content-wise feasibility is still to be proven, the XL programme supports projects that have concluded the proof-of-concept phase and entered into the development phase, such as first implementation or market transition, up to 200.000 € non-repayable subsidies.

## grants to creative industries in their role as innovation driver



We also learned that similar tools for the creative industries were successfully used in Milan (Da Vinci project, 2013-2014), Sweden (SAERG, between 2011-2012) and Germany (IGC, between 2013-2016).

## 2. Action

North-West Regional Development Agency will prepare, run and monitor the Regional Creative Vouchers Scheme, based on the further funding to be provided through the RCIA Pilot Project prepared. North-West RDA is highly experienced in running calls of proposals, both in its role of Implementing Body for the Regional Operational Programme (3<sup>rd</sup> programming period) as well as European grant scheme administrator for two Horizon 2020 – INNOSUP-01 projects dealing with innovation vouchers, namely NEPTUNE and C-VOUCHER.

The stages of the actions would consist of:

- Elaboration of the documentation related to the Call of Proposals – guide of applicants, criteria, application templates, evaluation rules, financial mechanism
- Launching the Regional Creative Vouchers Scheme and promotion
- Organizing a match-making event\*
- Evaluation of the proposals, projects award, contracts signed
- Monitoring the delivery of the creative services
- Organizing a Creative Impact Final Event, following the finalization of the creative vouchers' projects and towards the end of RCIA Stage 2

Through the local ecosystem of clusters and cultural & creative based associations and through the RCIA Local Stakeholders Group, anchored also in the clients portfolio of the NWRDA as member in the Enterprise Europe Network for over 10 years, an SME database with CCI service providers from the North-West Region of Romania will be built, enclosing brief profiles of the expertise offered. Through the existing INNO Platform, owned by North-West RDA ([www.inno.ro](http://www.inno.ro)), any company will be able to create a profile to be displayed, choosing its activity sector and providing details about its activity, products, existing portfolio and other useful information. Moreover, the Platform encloses an On-line Marketplace, where the offer and/ or demand for different services or products can be posted. Therefore, both creative service providers and traditional companies in need for creative services, will be able to link on-line through this genuine Matchmaking Tool, which will be used in this pilot project to bring together the offer and the demand for the creative services. The platform, launched in 2019, is a regional tool meant for promoting the regional assets from all sectors, being currently tested for multiple functions. RCIA pilot scheme will have a dedicated section to manage the funding scheme with pilot programme documents, FAQ for the vouchers scheme, an on-line application form for the applicant SMEs, and further on would be used also for testimonials from beneficiaries SMEs, success stories and elements to help capitalize the knowledge but also the community network which will be built around the programme and the supporting regional ecosystem. An already in place matchmaking section in the platform will allow companies to electronically display the creative services offer and demand, acting as a regional CCI catalogue, by simply filling a company profile and product portfolio: <https://www.inno.ro/companii-produse-servicii/>

### 3. Players involved

- **North-West Regional Development Agency** – as Managing authority for the Regional Creative Voucher Scheme. North-West RDA is highly experienced in running call of proposals, both in its role of Implementing Body for the Regional Operation Programme (3<sup>rd</sup> programming period) as well as European grant scheme administrator for two Horizon 2020 projects dealing with innovation vouchers.
- **Cluj Cultural Centre** – main involvement in the implementation of the Pilot scheme, contribution to the promotion of the Voucher Scheme, engagement of the cultural & creative industries, evaluation of the proposals and added value to the matchmaking of the expertise, for the benefit of the SMEs and of the CCI providers. Also, CCC will have the role to upscale the initiative after the Pilot ends and reaches impact towards the competitiveness of the SMEs.
- **Transylvania Creative Industries Cluster** – its management representative to be involved both as contributor to the documentation related to the call of proposal, project evaluator and also promotor of the grant scheme towards its cluster members as supply expertise.
- **IT Clusters** from North-West Region: Transylvania IT and Cluj IT – its management representatives to be involved both as contributors to the documentation related to the call of proposal, project evaluator and also promotor of the grant scheme towards its cluster members as supply expertise.
- **Clusters and business associations from the North-West Regions** from the rest of the sectors: 10 clusters from furniture industry, agri-food, environment, life-style, new materials.

### 4. Timeframe

The activities to be carried out would cover the next two years, 2020-2021.

### 5. Costs

The Regional Creative Voucher Scheme budget would be of 50.000 Euro to be allocated to SMEs from different sectors applying for services supplied by the creative industries. The creative voucher per project would range from 2000 € to 5000 €.

The management costs scheme, translated in staff cost for the elaboration of the call of proposals, promotion and organising of match-making event, internal evaluation and organising a final event for results dissemination will add 19.675 Euro to the budget.

Total costs: 69.675 Euro.

### 6. Funding sources:

Interreg Europe – RCIA pilot project (if successfully granted)

## Part V. List of Abbreviations

AWS – Austria Wirtschaftsservice Gesellschaft, RCIA Lead Partner

CCI – Creative and Cultural Industries

COP – Competitiveness Operational Programme

CREIC – Regional Excellence Centre for Creative Industries

HCOP – Human Capital Operational Programme

NGO – Non-Government Organization

North-West RDA – North-West Regional Development Agency

RCIA – Regional Creative Industry Alliance

ROP – Regional Operational Programme

SME – Small and Medium Enterprises

**Date:** 16<sup>th</sup> April, 2020

**Signature:** Sanda Livia CĂTANĂ  
General Director



**Stamp of the organization:**