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BASELINE REPORT

on Culture and Creativity in Non-Capital Cities and Towns in Eastern
Partnership Countries

(Armenia, Azerbaijan, Georgia, Republic of Moldova, and Ukraine)

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1 Introduction

This report provides a summary overview of a research programme to develop cultural baseline analysis for non-capital cities and towns in the Eastern Partnership (EaP)¹ countries: Armenia, Azerbaijan, Georgia, Republic of Moldova, and Ukraine. This research was implemented within EU4Culture – a project financed by the European Union, running from January 2021 to December 2024. The project supports the cultural and creative sector with a special focus on non-capital cities and towns in the EaP countries:

“EU4Culture aims to support culture's role as an engine for growth and social development across the region”.

The main focus activities of EU4Culture include:

- Supporting the preparation and implementation of cultural development strategies in selected cities and towns;
- Providing capacity-building support to selected cities;
- Organising mobility projects for artists, and cultural professionals from EaP countries;
- Supporting local and regional festivals, cultural and cross-innovation projects;
- Increasing cooperation and networking between relevant public authorities and other stakeholders from the culture and creative sector on regional and inter-regional level.

EU4Culture research activities have involved analytical baseline research to develop inventories for the cultural sector in regional cities² across the five participating countries. This was based on a shared methodology and toolkit. For each city, a cultural baseline survey was undertaken. This was designed to understand relevant cultural and creative environment, including cultural assets of each city, the current approach to cultural partnership and investment(s) as well as SWOT analysis on the profile of the cultural sector. The survey was complemented by desk research and targeted interviews with a sample of stakeholders – such as public officials, cultural professionals, and creative enterprises.

This report, prepared by an international expert to the EU4Culture Project, Dr. Tom Fleming³ and EU4Culture team, provides an overview of the main findings of this research. It also provides a broader strategic context for culture in the EaP region: a context where cultural policy is still emergent, especially at a municipal level; and a region where there is a clear need and opportunity to build capacity and expertise in the development and delivery of cultural strategies, and in the investment, partnership and operational models required for a successful and sustainable approach to culture.

Up to three non-capital cities and/or towns in the EaP countries will receive up to EUR 30,000 and significant capacity building support to develop dedicated cultural strategies. Finally, one city or town per country will receive up to EUR 300,000 to implement its cultural strategy.

¹ The EaP is a joint policy initiative, which aims to deepen and strengthen relations between the European Union (EU), its Member States, and its six Eastern neighbours: Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, and Ukraine. In this framework, guiding the EU's relations with its neighbours is the EU's Global Strategy and the revised European Neighbourhood Policy, which call on the need to focus on increasing the stabilisation, and resilience of the EU's Eastern neighbours.

² Cities participating in the first phase of the project: Georgia (Kutaisi, Poti, Akhaltsikhe, Telavi, Zugdidi); Ukraine (Odesa, Poltava, Rivne, Vinnytsia); Republic of Moldova (Orhei, Cahul); Azerbaijan (Shaki, Khirdalan, Lankaran, Ganja, Sumgait); Armenia (Charentsavan, Gyumri, Ijevan, Hrazdan, Sevan).

³ A leading global expert on culture and the creative economy: www.tfconsultancy.co.uk

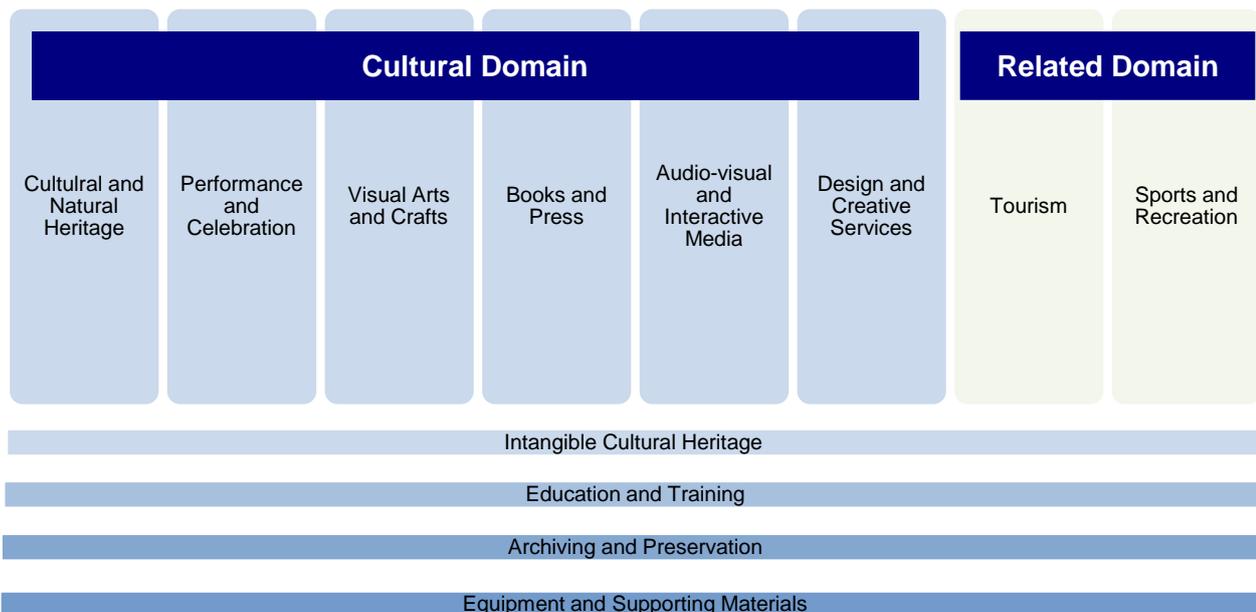
2 Executive Summary

Culture defines us. It is our heritage, how we live our lives, express our identities and shape the future. For municipalities, culture is a resource which helps build community and distinctive senses of place. It contributes to wellbeing and quality of life, to social engagement and trust, and to economic activity from the creative industries to tourism. A dynamic cultural sector can drive impact: to develop social cohesion, enhance wellbeing and health, give confidence, and catalyse innovation across the economy. The Covid-19 pandemic has demonstrated to us all why culture matters and raised the stakes: for municipalities to recognise, celebrate and invest in culture in a structured and strategic way.

Places that establish a sustainable and critical mass of cultural excellence can also gain influence beyond local boundaries and even internationally – such as through events, festivals, and heritage celebrations; and through a dynamic creative industries sector. This, in turn, can be impactful for inward investment, tourism, employment and sustainable development.

In 2009, UNESCO adopted the following model, which is the most widely used definition of the CCIs as part of a wider creative economy:

2009 UNESCO framework of cultural statistics



In the European Union, many municipalities have sought to maximise the role of culture in their approaches to place, economy, and society. Cultural strategies have proved vital as tools to develop evidence-based, partnership-driven and strategically impactful approaches which elevate the role of culture across the economic and social sphere. Put simply, having a cultural strategy in place increases the likelihood of long-term sustainable development.

For EaP countries, place-based cultural strategies are still in their infancy. While national Cultural Policy is increasingly advanced, most municipalities and regions are yet to develop detailed baseline evidence on culture and, therefore, are not in a position to develop evidence-based cultural strategies. This is in part due to limited resources and capacity and in part due to the prioritisation of other sectors ahead of culture. In most EaP cities, the budget for culture is quite small, with year-on-year fluctuations. Investment in culture is also often focused on supporting infrastructure, which



is a legacy of the Soviet-era and / or on activities for young people. The lack of bold, wide-reaching, and evidence-based cultural strategies has limited investment in culture and thus the capacity of the cultural sector to deliver positive social and economic outcomes.

2.1 The EaP Cultural Baseline Mapping

These research activity in selected cities of the EaP has facilitated an important first step in evidence capture to inform cultural strategy and partnership. It has provided the tools to better understand the role, profile, and impact of culture, the development needs of the sector, and opportunities for culture-led city renewal and development in non-capital cities across the EaP.

The process of baseline mapping has involved:

The design of a shared methodology and toolkit for delivering a cultural baseline / inventory across participating cities. This includes guidance on good practice in city cultural mapping and strategy development, advice on ethics and approach, and a set of specific research tools. This is a transferable toolkit, which can be used for cities and regions across the EaP. The specific research tools include:

- A survey – designed for respondents from the municipality, cultural organisations, and creative enterprises. This survey explores data such as the scale and focus of investment in culture, strategic priorities for culture, strategic challenges, and opportunities for culture-led development.
 - Structured interviews – designed to explore qualitative perceptions of the strategic context for culture in each city.
 - Literature review – on key policies for culture, plus on the wider strategic context for culture from the national to local level.
- A research exercise deploying the above tools to develop cultural baseline analysis for each city. This was led by EU4Culture National Coordinators for each EaP nation and coordinated by the EU4Culture project team.
 - Analysis and presentation of city baseline data and evidence through 5 reports: one for each of the participating nations. This includes summary analysis and presentation of survey results, SWOTs on the role of culture in city-making, and gap analysis.
 - Summary presentations of the research and its findings⁴.
 - Summary analysis of the research – as presented in this report.

2.2 Headline Findings from the Cultural Inventories

This report includes a SWOT analysis (cf. Section 4.2) of the shared issues for culture across the participating cities.

It highlights shared strengths as including:

- Distinctive heritage – with a portfolio of tangible and intangible assets which can play a major role in the city's cultural renewal.
- Strategic commitment to re-frame the strategic approach to culture – via new evidence-based cultural strategies.
- Strong grassroots for everyday culture⁴– e.g., dance, writing, visual arts. This can be the baseline from which to build active audiences and a professional cultural sector.

⁴ Presented at EU4Culture international conference on 25th November 2021



- Scale – as smaller cities, they have an intimacy which can facilitate stronger partnership-working. The cities can also be hubs for new types of cultural practice – utilising their scale to become centres of excellence.

It highlights shared weaknesses as including:

- Limited capacity – as smaller cities, but also as cities lacking investment in culture and short of management and entrepreneurial capacity across the cultural sector.
- Lack of evidence on the role and impact of culture across a range of agendas – which in turn explains the lack of a strategy for culture and the low levels of investment.
- Where an investment is more available, it tends to focus on heritage preservation, youth, and basic cultural provision, not on establishing a dynamic cultural ecosystem.
- Investment is also too short-term and project-based (rather than programme-based). This limits capacity to develop in a strategic way.

2.3 **Headline Recommendations for Cultural Strategies in EaP Cities**

The report (through Section 5.1) sets out eight building blocks, which the cities will need to develop as part of their strategic development through culture. These building blocks may also be vital in the design of support to cities and in how cities collaborate. Section 5.2 presents a strategic framework for capacity-building and inter-regional collaboration through EU4Culture Project. The key building blocks for sustainable development through culture are as follows:

Building Block 1: An assets-based approach to cultural development

Baseline mapping and sector engagement will help to identify and describe the city's uniqueness.

Building Block 2: Cultural governance reform

There is a need / opportunity to elaborate a more devolved approach to cultural governance and partnership, investing in key cultural organisations to play a role in distributing investment and delivering capacity building.

Building Block 3: New cultural partnerships

Cultural strategies work best where they are based on cross-sector partnerships – those which bring together different sectors, such as: the education, health, environment, and technology sectors.

Building Block 4. New investment models

Cities should seek to retain flexible investment for research and development (R&D), new commissions, and festivals as platforms for cultural innovation. Cities should also seek to unlock private investment – in terms of finance and in-kind expertise.

Building Block 5. Cultural management and creative enterprise

To establish a dynamic, agile, and sustainable cultural sector requires not only new types of funding, but new types of skills and competencies.

Building Block 6. Talent-focused development

The cultural future of the cities depends on active citizenship and creative engagement from the full talent base. Talent is the number one sustainable resource for each city or town, inclusive of the full diversity of ethnicities, genders, and age groups.

Building Block 7. Culture as a transversal development pathway



Culture does not flourish in isolation. Cities, which become genuine leaders through culture, do so through the convergence of culture and social development, economic development, and environmental responsibility. Participating cities will need to position culture to the heart of a wider approach to sustainable development.

Building Block 8. National and international partnership development

As small cities and, in some cases, relatively isolated cities, there is a need to build structured relationships with other cities. The EU4Culture project can kickstart this process of international exchange.

While there are multiple opportunities for culture to play a progressive, long-term role in the transformation of cities across the EaP, the road will be long and the challenges significant. It is hoped that by working together and sharing both best practice and practice which was less successful, the cities will be inclined to be bolder, more confident in taking risks, and more committed to grappling with those fundamental challenges of governance, partnership, and investment. By acting together, the cities can go further and embrace their cultural potential. The EU4Culture programme in the EaP provides a platform for pioneering culture-led development based on strong evidence and fresh solutions. The next task will be to work together to realise the individual and collective potential of these fascinating and forward-thinking cities.

3 General Context: Culture in the EaP

3.1 Cultural Strategy and Policy – an Emergent Reality

In the EaP region, the approach to cultural policy and the cultural and creative industries (CCIs) is still emergent – especially at a local / municipal level. Few cities have cultural strategies or long-term investment frameworks for culture. Where such frameworks exist, culture is often defined quite narrowly – e.g., through a focus on main cultural infrastructure such as theatres, galleries, and museums. Such infrastructure is a legacy of Soviet cultural models, both in terms of organisational and business models. The other main focus areas of cultural investment are on festivals and events, heritage restoration, and itineraries for cultural tourism. Very few cities invest significantly into contemporary cultural activities, and fewer still have a strategic recognition of the CCIs as a pathway for city development.

There are three main factors which contribute to this emergent cultural policy landscape in non-capital EaP cities:

- **The missing cultural evidence / baseline.** The long-term absence of data means the role and impact of culture have not been articulated, and, as a consequence, few senior staff in municipalities are aware of the city's cultural asset base and its potential to play a vital role in future city development.
- **Historical lack of investment.** In part due to the under-development of an evidence base, culture is rarely prioritised for investment. Budgets tend to be small, although they have broadly increased in recent years. Budgets also tend to be orientated toward infrastructure, which is a legacy of Soviet-era models (e.g., culture houses). This infrastructure dominates available investment and reduces opportunities for investment in other parts of the cultural sector.
- **Weak partnerships** – e.g., between the public and private sector, which limits opportunities for co-investment in culture. In addition, due to a lack of funding, civil society organisations working in culture tend to be fragile, with limited resources and unable to plan for the long-



term. This makes it more challenging to deliver effective community stakeholder engagement – which is vital for sustainable cultural development. With most cultural funding decisions made on a yearly basis, this also contributes to a sustainability challenge for cultural organisations, which need 3-5 year core funding commitments to allow them to plan, develop and grow.

Other challenges or barriers to culture-led development in cities across the EaP region include:

- **Instability** – political and social, with Covid-19 heightening instability across the region at a time when culture is even more vital for wellbeing, health, and cohesion.

Limited critical mass – as smaller cities, the size (and spending power) of local audiences for culture is limited. Similarly, the size of the cultural sector is limited due to investment gaps, which bring human resource and expertise challenges. While there is real excellence and innovation in the cultural sector of cities across the region, the day-to-day conditions for cultural production are challenging. This impacts on the confidence of the cultural sector and the capacity of cultural professionals to build sustainable careers. Too often, creative talent has to leave the city to find work and build a career.

- **Limited connectivity and exchange.** Digital connectivity varies by city, as do levels of digital literacy. This brings a ‘digital divide’ in terms of capacity to develop the cultural sector. In addition, issues of physical distance, with varying road / rail / air connections, make cultural development more challenging, with aspects such as cultural touring, cultural tourism, and cultural exchange enhanced where transport links are improved.
- **Strategic disconnect** – between culture and other key policy areas such as education, community development, economy, health, and environment. Culture can deliver outcomes across this landscape, but local cultural policy and investment rarely position culture as a driver of impact beyond its role in community development, place-making, and tourism. The absence of evidence-based cultural strategies is a factor in this strategic disconnect.
- **Gap between national cultural policy and local development.** In recent years, EaP countries have made real progress in the development of national cultural policy. This is featured briefly below. However, this is yet to substantially influence local or regional cultural policy. This includes approaches to the cultural and creative industries, which each of the EaP countries have prioritised at a national level. Thus, the development of local cultural strategies can work to connect to and benefit from national cultural and creative economy policy and discourse.

However, despite this challenging environment, this research programme demonstrates a growing appreciation of the role and value proposition for culture in city-making, especially with regard to **sustainable development**. Cities, which were featured in this research, demonstrate enormous cultural diversity, with a portfolio of cultural assets ranging from incredible heritage to a dynamic festival sector. Some of the cities have clear specialisms – e.g., in crafts, music and performing arts. Other cities have a distinctive cultural narrative – e.g., they are inland cities surrounded by nature, coastal cities, industrial cities, and post-industrial cities. This generates a set of cultural resources, which cities can, with an evidence-based strategy, leverage to develop social and economic impact.

Each city, which participated in this research programme, has a unique set of cultural assets, which can, with effective policy, planning and partnership, help drive sustainable development into the future. A sample of cities is introduced in Section 4, preceded by a brief overview of the national context for cultural policy.



3.2 National Cultural Policy – Shaping the Local and Regional Approach

Each of the EaP countries is on a different journey in terms of cultural policy development. The governance and investment structures vary, as do the priorities for culture. However, the EaP countries do share a collective mission to develop and grow their cultural sectors, to position culture as a driver for sustainable development, and to herald the cultural and creative industries as critical to a more diverse, innovative, and sustainable economic and social model.

3.2.1 Armenia

Prior to 2020, Armenia had been actively developing and revising its approach to culture, especially with regard to film and the CCIs. Yet the Covid-19 crisis and 2020 war over the Nagorno-Karabakh region have severely hampered capacity to focus on cultural policy.

In broad terms, Armenia has a centralised model for cultural investment and management. The Ministry of Education, Science, Culture, and Sports assumes cultural production and dissemination as a mean to promote national identity, mostly by maintaining annual support to existing state not-for-profit institutions and some NGOs and events. There is also financing at the level of the marz (region) since the 2007 Law on Cultural Development in the marzes to promote regional cultural development.

Main policy-makers and public bodies involved in/responsible for the cultural development are:

Ministry of Education, Science, Culture and Sports (national)

Ministry of Economics (national)

Tourism Committee

Regional administration (regional)

City Council (local)

The local cultural department in cooperation with the economic development and other departments (local)

The local tourism office (local).

The official 2021 Government Budget for culture is 2,000.6 billion AMD. 98% of this budget is invested in state cultural institutions and programmes. The wider cultural sector receives the remaining 2% - mostly for projects. Local budgets for the regions are small, starting as low as 14 million up to 70 million for different regions.

„A gap remains between policy-makers and the sector professionals, preventing their interests and visions to be discussed and their feedback to be reflected upon and integrated into policy-making. The sector claims the lack of information on cultural projects, decision-making and selection processes. On the side of policymakers, there is a lack of a clear vision on what benefits could the open systematic participatory relations with all stakeholders bring“ (Marine Karoyan - EU4Culture National Coordinator, Armenia).

In Armenia other cultural policy and cultural sector development characteristics identified by the National Research Coordinator include:



- Legal and administrative conditions do not create a supportive working context. Poor budgets for culture in the regions, with a shortage of long-term investment, limit capacity, confidence, and coordination.
- The absence of tax incentives on cultural goods and services limits competitiveness in the global marketplace.
- A lack of monitoring and evaluation for cultural investment, which means little scrutiny is paid to the return on investment for state-funded activities. This limits innovation and sector development.
- The cultural funding system lacks systematisation and transparency. The lack of intermediary bodies (e.g., Arts Council model), also reduces the flexibility of state funding for culture and capacity to pivot to new opportunities – e.g., in supporting CCI development.
- Poor road and rail infrastructure further isolates the regions, limiting opportunities to develop critical mass in culture.
- There is a growing independent sector, albeit one which lacks funding and capacity. Pop-up galleries, cafes operating as creative hubs, and new festivals are helping to build new audiences for culture. But there is significant scope for more grassroots or community-led activity.
- The creative and tech sectors show real promise in Armenia, with a burgeoning digital media sector (especially in Yerevan) and the growth of co-working spaces and technology centres (e.g., Gyumri). However, the strategic connection between the technology sector and culture has not been explored at a strategic level.
- Growing international connectivity, through the large global Armenian diaspora and through European networks, including professional development networks and participating in Creative Europe projects (as a third country).
- Incredible heritage, which is a priority field for the Ministry of Culture. This presents an opportunity for culture-led development, with heritage settings providing a resource for contemporary cultural activity. Based on a Memorandum of Understanding between USAID and the Smithsonian Institute, a number of cultural projects are being implemented in Armenia, with a focus on infrastructure, preservation of cultural heritage, and the creation of new tourist products.

3.2.2 Azerbaijan

In Azerbaijan, cultural policy is centralised with the Ministry of Culture leading on investment and strategic direction. Financing systems and financial support for culture in the regions are allocated directly from the state budget on the basis of a forecast prepared by the regional cultural departments. 15 Regional Departments of the Ministry of Culture are required to develop a strategic framework linking culture to tourism and economic development. This means individual municipalities have not historically been able to develop cultural strategies of their own.

Further evidence of the state-driven and centralised approach to cultural policy in Azerbaijan is the funding mechanism for a portfolio of cultural institutions. A legacy of the Soviet-era model for culture, Azerbaijan retains a state cultural workforce – in theatres, museums, and culture houses across the country. The state is also responsible for the renovation and upkeep of this cultural infrastructure.

The creation of a well-established and consistent legal basis is an important element in the development of the Azerbaijan culture. A new 'Law on Culture' was introduced in 2012. Its main principles include humanism, democratic approach, equality, integration, quality, continuity, secularism, protection of talented persons, balanced approach, and efficiency. In 2014, the 'Concept of the Culture of Azerbaijan' was approved. This includes solutions for protecting and promoting national traditions, increased allocation of resources for culture and its promotion through international organisations. With the aim of protecting and restoring cultural and historical monuments, a state programme for activities was undertaken 2014-2020.

In Azerbaijan, new reforms are to be conducted in accordance with the concept of 'three Ds' – decentralization, deregulation, and democratization. However, there is much progress to be made across each D. Cities and regions still have little autonomy in terms of their cultural budget and strategy. Censorship and self-censorship are constant in the ways culture is commissioned and produced. And the cultural sector remains very state-driven, with mixed economy and public/private partnerships very emergent in the cultural sphere. This means that while there has been very significant state investment in culture for major projects in Baku, regional cultural development benefits from the much lower investment, with cultural capacity limited.

The baseline survey for culture in Azerbaijan (undertaken for this EU4Culture research project) identified the following as the main strategic barriers to / opportunities for culture across the participating cities:

- The need to increase devolved responsibility for culture at a regional and city level. This is to drive local strategies and accelerate reform. For some cities, the allocated annual budget for culture is less than 100,000 Euros. In larger cities, the budget rises to over 1 million Euros, but this remains a relatively small figure.
- The need to develop stronger community engagement – to provide opportunities for local people to actively participate in their city's cultural transformation.
- Correspondingly, the main strategic priority for culture across the cities is to increase investment, which in turn enables greater culture-led impact. Investment is also needed to modernise infrastructure and transform the skills-sets and capacities of the cultural sector.
- The opportunity to develop cultural programming which connects the country's incredible heritage assets to cultural tourism and civic participation in culture.

3.2.3 Georgia

"For the last 30 years Georgia has been going through the process of democratization and transformation but its cultural sector and its administrative principles remain in need of reforms, especially when it comes to the establishment of support systems for strengthening of independent actors and acknowledgement of potential of creative industries in boosting the creative economy"(EU4Culture National Coordinator, Georgia – Khatia Tchokhonelidze).

The Georgian Culture Strategy 2025, adopted in 2016, marked a significant step forward in the development of a structured and coherent approach to culture in Georgia. It prioritises the role of culture for sustainable development, underpinned by a more creative society and modernised cultural infrastructure. This includes a focus on collaboration *"between central and municipal*



authorities, non-governmental organisations, associations and foundations, international donor organizations, the independent cultural professionals and the business sector”⁵

In 2014 Georgia signed and ratified the EU Georgia Association Agreement – currently one of the most important guiding documents, which significantly determines the political and economic course of Georgia as a country on its path towards democracy and Euro-integration. In 2015 Georgia also signed an agreement to join the Creative Europe Programme. As part of this process of reforms, in 2019, the Ministry of Education, Science, Culture and Sports announced its decision to establish the **Georgian National Culture Fund** – entity operating under the Ministry and in charge of providing financial support for cultural initiatives aiming at development in different directions. However, this Fund is yet to be launched, with the Covid-19 pandemic stalling progress.

In addition to traditional cultural fields, the Culture Strategy 2025 prioritises the development and growth of the CCIs. In July 2021, the newly appointed Minister of Culture, Sports and Youth of Georgia presented a 10-year action plan for the CCIs. This aims to increase the share of the CCIs in the country's GDP (from 2.8% to 3.5%); to increase creative employment and grow cultural tourism. The development agency **Creative Georgia**⁶ will play a vital role in delivering on these priorities. It works as an arms-length body with the support of the Government and Enterprise Georgia to promote, connect and support the Georgian CCIs. This includes a role in boosting sector networking and developing evidence to inform policy and investment. Creative Georgia is currently developing a data and evidence framework for the CCIs in partnership with international agencies. This is to establish a robust approach to evidence-based policy and investment in culture over the next decade.

In 2019, the Ministry of Education, Science, Culture and Sports of Georgia invested an annual cultural budget of 1 797 605 000.00 GEL. In 2020, this Ministry was divided into two Ministries: the Ministry of Education and Science and the Ministry of Culture, Sports and Youth. The budget of the Ministry of Culture, Sports and Youth remained almost the same as it was before this reform (300.7 million GEL). A large part of this amount is spent on the development and promotion of mass sports events (122.4 million GEL) and on the promotion of cultural development 69.5 million GEL. Other costs are mainly directed to infrastructure projects. There are two types of funding in the Ministry: direct and competitive. One of the main recommendations of the “2025” Strategy document was moving to a fully competitive and transparent system; however, it is not yet fulfilled.

The main relevant policy-makers, public bodies involved in / responsible for the cultural development in Georgia:

- *The Ministry of Culture, Sports and Youth of Georgia*
- *The Parliaments Cultural Committee*
- *The Ministry of Economy and sustainable development of Georgia*
- *The Ministry of infrastructures and Regional Development of Georgia*
- *Creative Georgia – an intermediary development agency for the CCIs*
- *City Halls, City Councils*
- *The local cultural department in cooperation with the economic development and other departments*
- *The local tourism office*
- *And other actors on the national, regional, and local level*

Although progress in cultural policy development and the initiation of targeted development programmes, such as Creative Georgia and multiple heritage-based cultural tourism programmes,

⁵ <https://en.unesco.org/creativity/policy-monitoring-platform/georgian-culture-strategy-2025>

⁶ <http://creativegeorgia.ge>

the culture management system in Georgia remains very centralised, with decision-making power is confined to the top management: Ministerial level. At the regional level, municipalities' cultural departments work with very limited capacity, budgets, and autonomy. Local cultural strategies have not been developed.

This is symptomatic of a wider set of structural challenges for the cultural sector in Georgia. These include:

- Lack of robust data and evidence – to inform policy and investment and raise the profile of cultural impact
- Weak organisations and networks – with a need for reform and capacity-building
- The need to build stronger community stakeholder engagement in cultural development activities
- Lack of policy activation for the CCIs – despite their growing profile
- Limited public / private partnership
- Lack of awareness in municipalities of national cultural policy priorities, including the CCIs
- An urgent need to modernise and reform cultural infrastructure (which is a legacy of Soviet era models), and to build capacity across the cultural sector
- A major opportunity to connect approaches to cultural heritage with new models for cultural tourism, including those, which develop the CCIs. Tourism directly contributed 9.3% to Georgian GDP in 2018⁷ and is poised for growth post-Covid. One priority area is the participation of Georgia in transnational cultural routes (e.g., the Europe Cultural Routes Programme and UNWTO Silk Road Programme). In 2015 the Georgian Tourism Strategy 2015 – 2025 was developed with the support of the World Bank Group. The focus today is on supporting tourism recovery post-Covid19.

3.2.4 Republic of Moldova

„Despite a solid economic performance over the past two decades, Moldova still remains among the poorest countries in Europe. Although a growth model reliant on remittance-induced consumption has generated high growth and reduced poverty, it had become less sustainable well before the COVID-19 pandemic. The decline in remittances, combined with a shrinking and aging population, has resulted in low productivity growth, and a significant number of the lower-income population has become dependent on pensions and social assistance“(EU4Culture National Coordinator, Republic of Moldova - Eugeniu Harabara).

The Moldovan cultural policy model is, like the other EaP countries, highly centralised. The Ministry of Culture drives the policy agenda with a primary focus on nurturing a shared cultural identity and values, preserving cultural values under threat, strengthening cultural dialogue, and nurturing a balanced cultural economy.

The main authorities, institutions, and public organisations in the institutional framework that manage and regulate culture are:

- The Ministry of Culture;
- Agencies, Councils and Commissions subordinated to the Ministry of Culture;
- Local Public Authorities of the second level;
- Cultural Directions / Sections of the Local Public Authorities of the second level and Balti municipality;

⁷ <https://wtcc.org/Research/Economic-Impact>

- Local Public Authorities of the first level.

According to the legislative and normative acts, the Ministry of Culture is responsible for developing and promoting policies in the following areas: professional art (literature, theatre, music, choreography, visual arts, cinema, and circus), arts education and cultural industries, cultural heritage and visual arts, folk art, artistic crafts, amateur artistic activity, and written culture. The budget of the Ministry of Culture is approximately Euro 45 million (2020), representing 0.5 % of the total State budget. Regions and local governments invest and contribute modestly, with limited resources.

The network of the cultural institutions in Moldova includes over 1,000 houses of culture and libraries, over 100 schools of art, and over 100 museums. Most of this infrastructure is a legacy of Soviet-era cultural models and in need of reform.

NGOs play an important and growing role in the cultural landscape of Moldova. There are approximately 8000 registered NGOs, but just 5% of these are in culture, and just 2% are active. Funding of artists' unions and civil society associations takes place under the "Regulation on financing from the state budget of programmes, projects and cultural activities carried out by civil society associations", approved by the Government in January 2009.

The private cultural sector is still very emergent in Moldova, and the Ministry of Culture does not have a public policy on the development of the private cultural sector – e.g., for the CCIs. However, USAID is working with the Moldovan Government to support a CCI Framework, and significant investment is going into screen / audiovisual and digital infrastructure in Chisinau.

Regional development is a significant priority for the Moldovan Government is putt, with a programme of regional development strategies undertaken. This includes a focus on regional specialisation, with scope for culture and the CCIs as a focus area for specialisation. This regional approach is cited in the Moldova-EU Association Agreement, which stipulates that regional development is a priority for the country. The National Strategy for Regional Development (NSRD) is the main regional development-planning document reflecting the priorities, mechanisms and priority measures. Central and local public authorities, as well as representatives of civil society and international organisations participate in various stages of Strategy development. In December 2020, a National Programme on **Growth Poles** was approved, and its implementation was initiated. In accordance with this Programme, six cities (Ungheni, Orhei, Cahul, Comrat, Edinet, and Soroca) were identified as growth poles.

In addition to this growing regional opportunity for culture and the CCIs, other strategic conditions for culture in the Republic of Moldova include:

- The limited domestic market, with a small population and scarce disposable income, cultural participation rates are low. However, with Russian and Romanian commonly spoken, the opportunity exists to build international audiences for Moldovan culture. A modest film fund has been set up to nurture local production – led by the Moldova Center for Cinematography (CNC).
- As with other EaP countries, there is very limited data and evidence on the role and impact of culture, which in turn limits awareness of the opportunity for culture-led development.
- Public / private partnerships in culture are very emergent and the current legal and regulatory framework does not sufficiently incentivise private investment in culture.
- Levels of community engagement in culture – e.g., in cultural planning and decision-making – are low, with scope for a more participatory and inclusive approach.
- Much of the CCI sector operates in the informal economy, with barriers to registration such as the difficulty of entering the banking system. However, the CCIs have shown real growth in recent years. In 2018, over 2800 creative SMEs were officially registered as legal entities, with a 20% increase in 2015. Over 13,000 people are employed in the CCIs, mostly in micro-



enterprises. Growth in the CCI is not just confined to the capital city: Cahul and Orhei are showing real potential in CCI development, boosted by ambitious local initiatives such as fab labs and festivals.

3.2.5 Ukraine

Ukraine has made enormous progress in developing a national approach to culture and in catalysing reform across the cultural sector. Since the 2014 Revolution of Dignity, culture has been positioned as vital to nation-building and as a critical driver for sustainable development. This is in a context of significant regional variation in cultural infrastructure and capacity, and where the Soviet legacy still influences the models of infrastructure and cultural provision. The approach to cultural policy remains centralised, but in recent years the Government has sought to decentralise resources across key sectors, with the opportunity for greater participation and influence by local communities (“territorial hromadas”).

In 2014, an Alliance of Culture was created to promote culture at all policy levels and the Culture-2025 initiative was launched – to drive culture-led development across the country, including the initiation of the Ukrainian Strategy for Culture Development.

In 2015, the Ukrainian Government approved the creation of the main strategic document for culture – a **Long-term Strategy for the Development of Culture in Ukraine Until 2025 or Ukraine-2025⁸**. Strategic goals outlined in the document include:

- Decentralisation, democratization, restructuring - reforming the system of cultural management, in particular, the transfer of powers and resources to an institutional and / or local level
- Modernisation of cultural support tools - legal, financial, and technological). This includes a focus on digital capacity development for culture
- Protection and renewal of cultural heritage (tangible and intangible)
- Promotion of Ukrainian culture and creativity – nationally and internationally
- Improvement of the system of cultural and artistic education
- Development of international activity and popularization of Ukrainian culture - international cooperation in the field of culture, which is an essential factor in developing international partnerships

Significant steps in reforming the cultural sector were taken in 2017 and 2018 when the Government of Ukraine agreed to establish arm's length funding and programme delivery organisations for different aspects of cultural administration: the Ukrainian Culture Fund, the Book Institute, and the Ukrainian Institute.

- In 2016, The Book Institute initiated six programmes to support the local publishing sector. Another key task of the institution was to increase Ukraine's official participation in major international events, reflecting the growth of the national publishing industry and working to promote and validate the Ukrainian language
- The Ukrainian Culture Fund (UCF), established in 2018, introduced new mechanisms for result-oriented and competition-based state funding for different types of actors in culture and creative industries. One significant achievement of the UCF has been the introduction of transparent grant application processes, allowing the sector to compete for funding based on project merit. However, commercial enterprises are not eligible for UCF funding, which limits opportunities to connect state and private sectors through cultural collaboration

⁸ <https://www.kmu.gov.ua/en>



- The Ukrainian Institute was created in 2018 as a public institution affiliated with the Ministry of Foreign Affairs. Its mission is to strengthen Ukraine's international standing through the means of cultural diplomacy.

The Ministry of Culture is now developing a national **creative industries strategy**, with a focus on capacity building, entrepreneurship, infrastructure enhancement (including regional creative hubs), and innovation across all areas of the value chain.

The EU is an active partner to cultural development in Ukraine. The Association Agreement between the EU and Ukraine was signed in 2014. It lays stress on the role of education and culture in fostering mutual understanding and intercultural dialogue. The EU-funded 2015-2018 **Culture and Creativity programme** worked across 6 EaP countries. It aimed to promote cultural contribution to social and economic development with a special focus on policy-level advice. Based on it, a set of recommendations were provided by experts to foster the development of the CCI sector in Ukraine. Top priorities included:

- Audience development
- Cultural management
- Participatory approaches
- Mapping and strategy

“Ukraine still needs to continue and develop the preconditions for developing a favourable environment for CCIs. The need now is for more in-depth and specific analysis and strategy development at the sub-sector and regional levels. Naturally, this only makes sense if the strategies are integrated across the sector, society, the economy, and all government departments⁹.”

In 2015 Ukraine joined the Creative Europe programme, which brought new opportunities for funding of the CCI sector and building international cooperation. However, the sector was not yet ready for such large-scale opportunities, as specific capacities had to be built to successfully apply and implement Creative Europe projects.

The **Culture Bridges** programme, which was implemented in 2017-2019 by the British Council and EUNIC consortium, provided capacity building and grant funding for Ukrainian CCI organisations and firms. The programme was much in demand, with its 1.3 million EUR budget insufficient to undertake the level of reform needed to boost cultural and CCI capacity. This programme was followed by the **House of Europe** programme in autumn 2019 (managed by the Goethe Institut with consortium partners the British Council, Institut Français, and Czech Centre). The total House of Europe budget of €12,210,526 allows for the extension of funding opportunities for the CCI sector and the education, health, social entrepreneurship, media, and youth work sectors. House of Europe was among the first programmes in Ukraine to offer COVID-19 response initiatives for the local CCI sector.

⁹ <https://www.culturepartnership.eu/>



4 Eastern Area Partnership City Case Studies – Toward the Development of Local Cultural Strategies

The development of baseline research and inventories for culture in cities across the EaP introduces new data and intelligence on the role of culture in city development, approaches to governance and investment, key cultural assets and opportunities, and the challenges faced by the sector and those seeking to support it. The survey, desk-based research and interviews, present information which has not previously been captured. This is the first step toward evidence-based partnership, investment, and strategy. However, in cities which have not previously undertaken any baseline research and where cultural strategies are a new phenomenon, there is a long way to go and much to build on to ensure culture drives sustainable development in municipalities across the EaP.

This Section of the report provides brief introductions to a **sample of 5 cities**. It then presents some shared findings through SWOT analysis. This SWOT analysis provides the basis for a set of strategic recommendations for cultural strategy at a city level – which is presented in Section 5 below.

4.1 City Case Studies – Local Development Pathways for Culture

Ijevan, Armenia



Ijevan administrative centre of the Tavush Province, located 137 km northeast of Yerevan. The Yerevan-Tbilisi highway passes through this small city of just over 20,000 people. It is a deeply historical city, with evidence of centuries of continual occupation: Chamber tombs and a late Bronze Age cemetery are two prime examples of the city's deep heritage. Located on a vital trade route between the Levant and Northern Caucasus, the region of present-day Ijevan was home to many rest-houses and caravanserais during the Middle Ages. In more recent times, during the Soviet period, industrial development focused on carpet manufacturing and wood processing. Just one of the Soviet-era factories is still in operation – the Ijevan Wine-Brandy Factory founded in 1951.

Since Armenian independence, the local economy has slowly diversified, with key employers a stone processing plant and Vector, a software development company. The Ijevan campus of the Yerevan State University opened in the mid-1990s, supporting talent development in the city. Culture has played a role in the reorientation of the city's identity, especially through sculpture.

Following a programme of annual sculpture symposia 1985-90, the city became known as the 'city of 100 sculptures'. Ijevan also has an ethnographic museum (reopened in 1999) and the art gallery was renovated in 2003. The city is also served by a house of culture, a school of music, and a school

of arts, and an art gallery. Ijevan is a major centre for traditional Armenian handmade rugs and carpets. The Yenokavan canyon near the village of Yenokavan village just to the north of Ijevan is among the most visited destinations in the region. It has a number of cliffs, caves, forests, rivers and waterfalls.

Main challenges for culture-led development in Ijevan:

- Limited capacity and critical mass – as a very small city with a small pool of talent to draw from and limited audiences for culture, especially outside of tourism seasons.
- Lack of investment – with a need to refresh and repurpose cultural infrastructure and commission new culture – e.g., via festivals.
- Low integration of CCIs in the local economy.
- Weak sector partnerships.
- Industrial decline – with the challenges of under-employment and unemployment, with re-skilling paramount.

Main opportunities for culture-led development in Ijevan:

- Boost the cultural tourism offer, linking the heritage of the city to contemporary products and services and linking the cultural offer of the city to the wider region, which is attractive due to its natural and heritage landscape
- Build innovation capacity in traditional products – e.g. crafts, textiles, carpets – to build the Ijevan brand as a creative city
- Diversify and grow investment streams to modernise the cultural sector and build capacity.

Sheki, Azerbaijan



Sheki, in north-west Azerbaijan, is a small city with a rich heritage, known for its fine architecture, sericulture and traditional crafts.

Khans Palace, in its historical centre, is a UNESCO World Heritage site. The city is also a member of the UNESCO Creative Cities Network under the category of "City of Crafts and Folk Art". The city is also on the 'European Route of Ceramics' – a Council of Europe initiative.

Traditional crafts play a vital role in the city's identity and economy, with Sheki known as Azerbaijan's 'Craft Capital'. The sector is supported by the first Centre for Ceramics and

Applied Arts in Caucasus. This nurtures a new generation of crafts practitioners. The sector is also showcased through a range of events, including the first International Ceramics Symposium titled - *From nature to history* – in 2019.

Other art forms are supported through festivals and events, which promote the city's heritage and contemporary life – e.g. Sheki International Theatre Festival, Annual Silk Road International Music Festival, and Sheki Sweets Festival.

Sheki also has a relatively strong network of NGOs, working to develop a culture in the city. This includes a Public Union for Supporting Intangible Cultural Heritage and ABAD, which implements



projects to support family businesses operating in the field of decorative-applied folk crafts and food production. The Sheki Destination Management Organisation (DMO) works to promote and connect the city's heritage and cultural assets and link them to the cultural tourism offer. The Sheki Ecology and Education Center is an NGO, which implements social infrastructure projects. The Yarat National Modern Art Centre will open soon, with a Sheki Residency programme for local and international artists in a historical part of the city.

Main challenges for culture-led development in Sheki:

- The decline of traditional craft skills. Despite support for heritage crafts, the sector remains fragile with some practices at risk of dying out. This is in part due to the under-development of markets for traditional crafts and declining interest in craft as a career path for young people
- An enterprise gap – in the cultural sector and crafts. This includes core enterprise and management skills and a lack of incentives and finance for CCIs.

Main opportunities for culture-led development in Sheki:

- A cultural strategy is needed to support a coordinated and evidence-based approach to sector development, with a balanced approach to local development and international and national promotion
- The municipality sees this strategy as a way of driving culture-led development across four pillars: enhancing governance models; building capacity in the cultural sector; stimulating grassroots activities; and building international connections and collaboration opportunities. This is a holistic approach which connects local cultural development to international exchange opportunities and recognizes the importance of attending to capacity-building, infrastructure and governance reform as part of the same strategic process
- Sector 'smart specialisation' – focusing on sustainable development through the crafts sector. This includes building skills to secure long-term employment in the crafts sector; growing markets – through tourism and digitally; and building the profile of Sheki as a centre for innovation in crafts.

Poti, Georgia



Poti is a port city in Georgia, located on the eastern Black Sea coast in the region of Samegrelo-Zemo Svaneti. The city is built near the site of the ancient Greek colony of Phasis and derives its name from this ancient site. In the last century, Poti has grown as a port city and industrial hub. Poti is also home to the main naval base and the headquarters of the Georgian Navy.

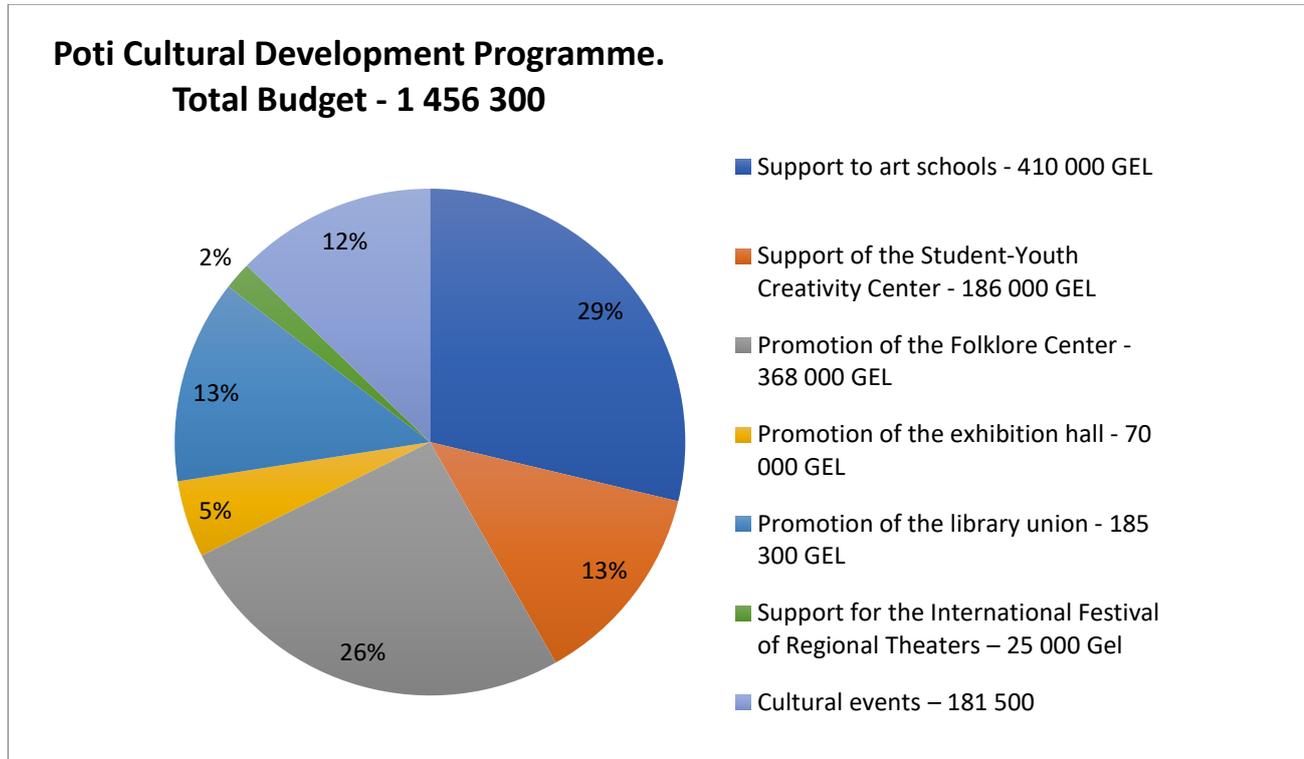
Poti is a small city of just over 41,000 inhabitants. But given its historic and now geopolitical standing, Poti is an important city for the region. Indeed, its port is one of the largest in the Black Sea region. The city's cultural

landscape reflects this naval and nautical heritage, although perhaps more could be done to build cultural connections with the wider region.

The city's early 20th Century reconstruction and many of its cultural amenities are associated with the prominent Georgian public figure, Niko Nikoladze, who campaigned for and led the city's development.

The Poti municipality has a modest cultural, sports and youth budget of 3,703,900 GEL in 2021. Of this, approximately 25% is invested in cultural projects. This is divided into support for art in schools; a student/youth creativity centre, the Poti Folklore Centre, the Poti Exhibition Hall and the library

union. Investment also targets the International Festival of Regional Theatres and cultural events programmes – see below:



The development model for culture in Poti spans across the three fields of Culture, Sports, Youth, and Religion. This facilitates a focus on cultural heritage, on active citizenship and on young people. However, the majority of the budget for culture is invested in the management of cultural institutions – as evidenced in the graph above. This limits available flexible investment for innovation, contemporary cultural programming, and cross-sector partnership. The lack of a cultural strategy also limits scope for thematic investment – e.g. in the CCIs, or culture for health and wellbeing or environmental sustainability. Plus, the lack of sector and audience engagement (the usual practice of developing a cultural strategy), mean the municipality is unable to develop flexible community-driven approaches to culture or to make an evidence-based appeal for more investment in, for example, digital capacity building or in creative entrepreneurship.

Main challenges for culture-led development in Poti:

- The lack of baseline evidence to drive a more tailored approach to culture
- The lack of flexible project funding – for new work, targeted capacity-building and so on. This is because most investment goes into existing cultural infrastructure which is a legacy of the Soviet planning system
- The focus on heritage and 'traditional culture', with less focus on contemporary cultural practice
- The lack of capacity and specialist skills – e.g., in cultural management and digital communication / audience engagement
- Low-level appreciation of the role and potential of the CCIs
- A lack of collaboration with other cities – in Georgia and regionally

Main opportunities for culture-led development in Poti:



- Diversify the investment portfolio to allow for new cultural commissioning which builds a dynamic professional base for culture in the city
- Maximise the city's strategic location on the Black Sea – for cultural exchange and collaboration across the region
- Build from the International Festival of Regional Theatres – toward becoming a hub for theatre innovation in the Black Sea Region
- Supporting the enabling conditions for the CCIs to thrive – e.g., networks, business support and commissioning of new work. Plus, support art schools and, through youth cultural funding, enhance professional development in culture.

Cahul, Moldova



Cahul is a city of just over 21,000 people in southwest Moldova, located on the border with Romania. It is the 6th largest city in the country in terms of population, but the third largest in terms of economic development. Cahul is often nicknamed the "Southern Capital" of Moldova, with a relatively dynamic mix of academic, economic, social and cultural activities and infrastructure. Cultural assets include facilities for music, theatre and dance.

The city is also a hub for festivals, with over ten actively programmed. These are vital in achieving a balance between contemporary cultural practices and supporting the city's heritage. Main festivals include the European City Festival, Nufural Alb (White Lily) (a major international festival of dance

and folk traditions), Classical Music Festival Crescendo (hosted by Cahul Municipal Philharmonic), and the International Documentary Film Festival for Social Change - `MOLDOX`. The annual Festival of ethnicities provides an opportunity for ethnic communities living in the Cahul district and present and exchange their traditions. It also establishes the city as a hub for the diversity of the wider region.

The city's square `Piata Horelor`, was renovated in 2017 to improve capacity and quality of infrastructure for festivals. This infrastructure is part of a wider portfolio which includes the Cahul County Museum, which has been active since 1958 is the largest and most important museum in the south of the Republic of Moldova. The "Nicolae Botgros" Palace of Culture- The hall was built in 1984 and has a capacity of 724 seats. It operates as a hub for cultural activities from theatre to choirs, chess to community events. The Musical-Dramatic Theatre B.P. Hasdeuit is famous for its role in talent development, with alumni of critically acclaimed actors.

Cahul is also an emergent hub for cultural education – e.g., via the School of Fine Arts, Maria Cebotari School of Music and Grigore Vieru Children's Library. However, the city does struggle to retain talent in the cultural sector and other key sectors, and the overall institutional landscape for culture lacks strategic partnership working – which would be a focus area for a cultural strategy.

Cahul's city vision is to *empower its citizens to contribute to the economic, social and cultural development of the city by creating the necessary environmental conditions*. One of the main objectives is to transform Cahul into a cultural centre of international importance, which offers development opportunities for all actors involved in the cultural field. To achieve this vision will require an innovative cultural strategy, which attends to the challenges the city, faces as well as delivering on its distinctive opportunities. These are introduced below:

Main challenges for culture-led development in Cahul:



- The absence of cultural strategy means the municipality lacks the strategic framework for cultural investment and partnership. For example, funding is distributed on an ad hoc level, which makes it difficult for cultural organisations to build medium-term plans and for festivals to secure sustainable business models.
- The city is very small, so critical mass is hard to achieve. However, a growing specialism in festivals is energising the independent cultural sector and facilitating sector development which links culture to social and economic impact.
- The convergence of culture, education and economy is challenging to coordinate, with the cultural sector lacking the capacity and management skills to navigate this complex landscape.
- The cultural budget is small, which limits the growth potential of the cultural sector unless it can be supported to access private finance such as through sponsorship. However, the private sector does not have a strong track record in cultural investment.

Main opportunities for culture-led development in Cahul:

- The city is a hub for talent, with festivals providing cultural dynamism. A cultural strategy, which seeks to build capacity and innovation in the festivals sector, can help secure a distinctive and sustainable development pathway for the city
- Linked to this dynamic festival sector, Cahul can more effectively coordinate its skills, education and professional development capacity for culture – e.g. by establishing a cultural education partnership which links key institutions, organisations and enterprises to drive culture-led development. This can include targeted skills and capacity building to boost the cultural workforce
- There is also an opportunity to position culture as a driver of social impact and to raise awareness of social and environmental issues – building from the work of MOLDOX, which is a socially driven documentary film festival
- Culture can play a vital role in inward investment and city branding – to establish Cahul as a hub for creativity and a desirable place to live, visit and work
- The city's location opens-up opportunities for intercultural dialogue and collaboration with Romania

Poltava, Ukraine



Poltava is a medium-sized city of over 284,000 people in central Ukraine. It is a city in transition, pivoting from an industrial history toward a service-based economy. Located at the intersection of transport links to the rest of the country, Poltava is seeking ways to improve its attractiveness for inward investment, talent, and tourism. Central here is an aspiration to drive a culture-led renaissance for the city, underpinned by a cultural strategy.

The municipality has jurisdiction over most cultural investments in the city, with a focus on heritage, youth, and sports. The city is home to 67 cultural institutions, with 30 national and 219 local monuments. The city also has a strong grassroots cultural sector, with communities of active cultural participation. Key cultural assets and attributes include a strong literary heritage, local cuisine (halushka), and the city's 'green infrastructure' (parks and boulevards). The city is working to animate these cultural assets through the festival sector – e.g., Gastro Festival Poltava Dumpling, a Street Music Festival, and a range of other events. Poltava is also an emergent hub for creative and tech enterprises – e.g., the recently created NGO "MISTOHUB", which connects enterprise to community, brokering collaboration and exchange.



As with other cities' profiles in this EU4Culture research programme, the partnership and investment landscape for culture is quite fragile and public/private partnership is still very emergent. This is in part due to a lack of evidence on the impact of culture – e.g., on economic development. However, this situation is improving, with some entrepreneurs actively promoting culture and investing in events as a way of enhancing the city's dynamism and building the profile of their brand.

Such interventions will be vital to the city's longer-term cultural development, boosting production capacity and city attractiveness. Currently, the city struggles to retain talent – e.g., in cultural management. The development of capacity for cultural managers allied with approaches to increase the attractiveness of the city as a place, which supports the development of new culture, is cited as key to a future cultural strategy. Such a strategy would seek to attend to the following challenges and opportunities for culture-led development in Poltava:

Main challenges for culture-led development in Poltava:

- The lack of a strategy means the evidence of cultural impact is under-developed, and the municipality does not have a framework for partnership and investment
- Traditional Soviet infrastructure such as the Centres of Culture are not dynamically programmed for cultural activity – they have the potential to be re-modelled as hubs of cultural practice
- The CCIs are still very emergent, with room to grow. However, there is a management and capacity gap which limits current growth and innovation
- The city has a strong grassroots cultural sector, but its range is limited to a more elderly population – there is a need to open-up cultural participation to a wider demographic
- Cross-art-form partnership is limited, with few organisations actively cooperating for some shared strategic goals
- The museum sector is in need of reform – from archives and preservation to an active role as hubs for culture.

Main opportunities for culture-led development in Poltava:

- To build from the existing festivals to establish a coordinated year-long programme of activities which collectively build capacity, attract audiences, and showcase the city's cultural assets
- To re-imagine the role of traditional cultural infrastructure for contemporary cultural development – e.g., Culture Houses
- Poltava can more effectively nurture public / private partnerships – toward co-investment models in culture. It can also seek to grow the CCIs as part of its wider restructuring toward a more service-based economy
- The city can become more of a hub for cultural development in central Ukraine – maximizing its transport connections. Unlike other cities in this EU4Culture programme, Poltava is well connected. This means it can become a driving force for the country's regional and national cultural sector
- The city can more effectively connect its literary heritage toward contemporary writing and publishing – which are real strengths for the Ukraine as a whole.



4.2 Overarching SWOT for Participating Cities

The above case studies are presented as a sample of the types of challenges and opportunities for culture-led development in the participating cities of this EU4Culture project. They have a lot in common with other participating cities, any of which could also have been selected as a case study. The SWOT below demonstrates this. It describes the common issues for all participating cities and demonstrates the need for evidence-based cultural strategies at a city level across the region:

SAMPLE OF STRENGTHS

- Distinctive heritage – with a portfolio of tangible and intangible assets, which can play a major role in the city’s cultural renewal.
- Strategic commitment to re-frame the strategic approach to culture – via new evidence-based cultural strategies.
- Strong grassroots for ‘everyday culture’– e.g., dance, writing, visual arts. This can be the baseline from which to build active audiences and a professional cultural sector.
- Scale – as smaller cities, they have an intimacy which can facilitate stronger partnership working. The cities can also be hubs for new types of cultural practice – utilising their scale to become centres of excellence.
- Social-focus – culture is well known for its role in community and place-making. This can be a key factor for sustainable development.

SAMPLE OF WEAKNESSES

- Limited capacity – as smaller cities, but also as cities lacking investment in culture and short of management and entrepreneurial capacity across the cultural sector. There is also limited community engagement in decision-making and planning for culture.
- Lack of evidence on the role and impact of culture across a range of agendas – which in turn explains the lack of a strategy for culture and the low levels of investment.
- Where the investment is more available, it tends to focus on heritage preservation, youth, and basic cultural provision, not on establishing a dynamic cultural ecosystem.
- Investment is also too short-term and project (rather than programme-based). This limits capacity to develop in a strategic and sustainable way (e.g., for festivals).
- The CCIs are not prioritised, and they have a low profile in most cities.



SAMPLE OF OPPORTUNITIES

- The development of evidence-based cultural strategies to boost awareness of cultural opportunities, leverage new investment, and partnership, and build municipal leadership.
 - To grow the CCIs as part of a new mixed economy for culture which is based on creativity and enterprise. Investment, which supports cultural organisations to diversify income streams, can drive positive change across the cities. The festival sector can also help catalyse new cultural activities and support cultural practitioners to access work.
 - Build cross-sector partnerships for culture – so it is at the heart of a holistic approach to sustainable development.
 - Build national and international collaborations – so the cities become hubs in a wider system.
- Be talent-focused: support the artists and creatives to drive strategic development.

SAMPLE OF THREATS

- Instability – geopolitical and domestic.
- COVID-19 – which continues to undermine cultural activities - e.g., in audience participation, revenue generation, talent mobility, and medium-term strategic planning.
- Continued disconnect between national and regional / local cultural policy.
- Limited expertise and continued skills gap in core areas – e.g., cultural management, creative entrepreneurship.
- Limited spending power of local audiences / markets for culture – makes culture-led growth challenging.
- Limited scale – smaller cities have smaller investment capacity – hence the need for smart, evidence-based approaches to culture and city-making.
- Intolerance: culture thrives through cultural diversity and the voices and perspectives of all communities.

5 Strategic Recommendations

5.1 General Recommendations for the Cities

Analysis of the baseline studies undertaken for cities participating in this EU4Culture programme point to some shared issues, challenges, and opportunities. The headlines for these are provided in the SWOT analysis in Section 4.2, plus in the overarching analysis for each country in Section 3.

Clearly, each city would benefit from a cultural strategy. This would provide the evidence base, partnership, and investment framework for culture-led development – especially if accompanied by new investment and capacity-building activities. However, each city will need to adopt a different development pathway – based on its distinctive asset base, the governance structure for culture, and political will.

Below is a set of shared recommendations for all the cities to consider if they are genuinely serious about developing a long-term role for culture, which can support the city's sustainable development. These are structured as the basic building blocks for cultural planning and sustainable development:

Building Block 1: An assets-based approach to cultural development

Each city has a distinctive heritage, identity, and set of assets. Baseline mapping and sector engagement will help to identify and describe the city's uniqueness. This baseline map / inventory should provide the basis for the cultural strategy – with the primary focus to better connect cultural assets, leverage existing infrastructure and investment, and coordinate partnership and programming across this landscape. This includes a focus on modernising and re-imagining assets – e.g., in heritage or Soviet-era infrastructure.

Building Block 2: Cultural governance reform

Each city has a centralized approach to cultural governance, which itself is often working to deliver policies which are centralized at a national level. There is a need / opportunity to develop a more devolved approach to cultural governance and partnership, investing in key cultural organisations to play a role in distributing investment and delivering capacity building. A top-down approach lacks flexibility, transparency, and efficiency. Each city should be looking to support at least two cultural organisations to grow to a point where they can play a leadership role for the wider cultural sector.

Building Block 3: New cultural partnerships

Cultural strategies work best where they are based on cross-sector partnerships – e.g. those that bring together the education, health, environment and technology sectors. In each city, the governance model should seek to unlock memorandums of understanding with key associations, unions, and enterprises outside the cultural sector. There is also a need to build community confidence and give people the tools to participate in cultural partnership and planning activities. This is to establish culture as a convening force in city development.

Building Block 4. New investment models

Most participating cities have rigid investment models, which focus on existing infrastructure (much of it of a Soviet legacy) or on a limited range of target areas – e.g., heritage and youth. This leaves few resources for cultural innovation and limits the opportunity to invest in new talent and / or to commission new cultural work. Cities should seek to retain flexible investment for R&D, new commissions, and festivals as platforms for cultural innovation. Cities should also seek to unlock private investment – in terms of finance and in-kind expertise. This can include new partnership models such as culture and business networks, cultural investment boards, and cultural action zones.

Building Block 5. Cultural management and creative enterprise

Each city lacks the range of skill-sets to drive an innovative cultural sector, and the CCIs are underformed. To establish a dynamic, agile, and sustainable cultural sector requires not only new types of money but new types of skills and competencies. Working in partnership with the education sector and enterprise, the cities will need to prioritise a new generation of cultural management, creative enterprise, and leadership. There is also a need to build digital capacity and bridge the digital divide between audiences and leading-edge cultural organizations.

Building Block 6. Talent-focused development

The cultural future of the cities depends on active citizenship and creative engagement from the full talent base. Talent is the number one sustainable resource for each city, inclusive of the full diversity of ethnicities, genders, and age groups. Cities can work with schools and other education settings to boost the cultural education offer and inspire a new generation of audiences and cultural leaders. Cities can also focus on nurturing pathways into cultural work – e.g., with accredited programmes which facilitate apprenticeships and internships. The university sector can also play its part – as providers of expertise, research, and skills development.

Building Block 7. Culture as a transversal development pathway

Culture does not flourish in isolation. Cities which become genuine leaders through culture do so through the convergence of culture and social development, economic development and environmental responsibility. Participating cities will need to position culture to the heart of a wider approach to sustainable development.

Building Block 8. National and international partnership development

As small cities and in some cases, relatively isolated cities, there is a need to build a structured relationships with other cities. This is to boost capacity and confidence, share efficiencies (e.g., for festivals and touring work), provide itineraries for cultural tourism, and build an international profile. The EU4Culture programme can kickstart this process of international exchange.

5.2 Recommendations for the EU4Culture Programme

The above building blocks for the cities also provide points of reference for the EU4Culture programme – in terms of the focus areas for capacity-building, shared themes for partnership, and the types of experts the programme recruits to deliver support. The building blocks also set out some shared themes for city networking and knowledge exchange, e.g., inter-regional cooperation. Below is a basic **development framework** for EU4Culture to utilise as a way of coordinating its resources and delivering maximum impact to participating cities.

Building Block	Focus Area for EU4Culture	International Expert Profile	Local Expert Profile	Inter-regional cooperation activities - type
1. Assets-based approach to cultural development	Cultural mapping tools and methodologies.	Quantitative and qualitative skills in cultural and CCI mapping.	Knowledge of the city's cultural and wider strategic landscape.	Knowledge exchange on the methodology for baseline mapping.



	<p>Identification of tangible and intangible assets.</p> <p>Evaluations – to measure impacts on cultural investment.</p>	<p>Track record in cultural strategy development at an international level.</p> <p>Strong communication and influencing skills.</p>	<p>Trusted by partners in the public and private sector.</p> <p>Strong research skills – e.g., links to academia or market research.</p>	<p>Co-design of evaluation tools and approach.</p> <p>Case study development – to benchmark cultural assets.</p>
<p>2. Cultural Governance Reform</p>	<p>New cultural leadership groups – e.g., culture board / partnership for the city.</p> <p>Terms of reference for new governance models.</p> <p>Capacity-building on innovation in cultural governance.</p>	<p>Track record in cultural strategy development and activation – with a focus on governance.</p> <p>Knowledge of best practice cultural governance models.</p> <p>Coaching skills to shape a bespoke model for the city.</p>	<p>Understanding of the national / regional / local policy context for culture.</p> <p>Strategic consultancy skills to help shape new options for cultural governance.</p> <p>A trusted relationship with the state and private sectors.</p>	<p>Knowledge exchange on models of best practice for cultural governance.</p> <p>Benchmarking of models for each city.</p> <p>Options and risk analysis for each model.</p>
<p>3. New cultural partnerships</p>	<p>Public/private partnership development, with a focus on NGO capacity building and collaboration with private enterprises and communities.</p>	<p>Knowledge of different cultural partnership models – e.g., in education, environment and health.</p> <p>Track record in brokering</p>	<p>Knowledge of the existing partnership landscape for the city.</p> <p>Research skills to identify opportunities for strategic</p>	<p>Benchmarking and knowledge exchange of partnership models for culture.</p>



	<p>Mapping of partnership opportunities with other key sectors – matching cultural assets to assets in other sectors (e.g., education).</p> <p>Co-design of cultural partnership models.</p>	<p>public/private partnerships in culture.</p> <p>Strong advocacy skills to support the formation of partnership.</p>	<p>partnership with culture to the fore.</p> <p>Advocacy / convincing skills to work with local partners.</p>	<p>Case studies – to inspire new ways of working.</p> <p>Examples of impact – e.g., on revenue, audience engagement and social impact.</p>
<p>4. New investment models</p>	<p>Reform of state / top-down models for cultural investment.</p> <p>Design of mixed economy models for culture – to include a range of investment tools such as project financing via grants, programme financing, and the design and establishment of targeted funds for culture.</p>	<p>Knowledge of a range of investment models for culture, including those, which blend national and local budgets and connect public and private funding.</p> <p>Track record in designing new investment models as part of cultural strategies.</p> <p>Track record in evaluating cultural investment.</p>	<p>Close understanding of the legal and regulatory landscape for culture and public funding in the focus country.</p> <p>Research skills to identify options for different types of investment model.</p> <p>Advocacy / convincing skills to work with local and national partners.</p>	<p>Knowledge exchange on the different approaches to investment and options for reform.</p> <p>Case studies from other countries to demonstrate opportunity and impact.</p>



<p>5. Cultural management and creative enterprise</p>	<p>Capacity-building on cultural leadership skills; on organizational management; and on creative enterprise.</p> <p>Focused support on digital development and capacity-building through culture.</p> <p>Partnership with education institutions to trial management development.</p> <p>Development of a cultural management model for the EaP.</p>	<p>Track record in the design and delivery of cultural management training.</p> <p>Track record in the design of cultural management and enterprise development programmes.</p>	<p>Understanding of the local management capacity / constraints / development needs.</p> <p>Access to partners in the public and private sector to explore different skills and development needs.</p> <p>Understanding of the regulatory context for cultural organisations – to develop deliverable models for cultural organisations. (e.g., allied to their legal status).</p>	<p>Peer learning exercises – building a professional community of cultural managers at EaP level and with partners in the EU.</p> <p>Best practice exchange – of curriculum for cultural management and creative entrepreneurship.</p>
<p>6. Talent-focused development</p>	<p>Development of cultural education and talent development models to be trialed in the education sector.</p> <p>Intercultural literacy training</p>	<p>Track record in the design of creative and cultural education projects and programmes.</p> <p>Knowledge of good practice for intercultural programming</p>	<p>Understanding of the national / local education system and of models for partnership-led talent development (e.g., the cultural sector providing cultural</p>	<p>Best practice exchange of cultural education models.</p> <p>Case studies where minority communities are making a positive difference to the</p>



	<p>for public officials – to build a more inclusive cultural sector.</p> <p>Creative enterprise support – to develop and grow the CCIs.</p>	<p>and capacity building.</p> <p>Knowledge of good practice models for CCI development – e.g. creative hubs, networks and business support programmes.</p>	<p>education activities).</p> <p>Understanding of the cultural history and changing demographics of the city.</p> <p>Understanding of national to local policy in economic development – i.e. where the CCIs can be prioritized.</p>	<p>cultural life of the city.</p> <p>CCI networking, showcasing and exchange activities – e.g., symposia to explore shared opportunities and challenges to build creative cities based on dynamic CCIs.</p>
<p>7. Culture as a transversal development pathway</p>	<p>Thematic capacity-building on culture for social development, health and wellbeing, inclusive growth, and environmental sustainability. This is a 'culture for sustainable development programme'.</p> <p>Identification of thematic priorities for culture in the city – coaching to support this.</p>	<p>Track record in cultural strategy development which is impact-facing.</p> <p>Track record / expertise in one or more of the thematic areas – e.g., culture for health and wellbeing.</p> <p>Expertise in cultural partnerships which connect different sectors / themes.</p>	<p>Understanding of the national and local policy context for themes linked to sustainable development.</p> <p>Knowledge of key agencies – e.g., NGOs – working in different thematic areas.</p>	<p>Culture for sustainable development knowledge exchange and partnership – e.g., cultural exchange and residencies to explore impact-facing cultural practice.</p> <p>Digital platform to showcase and share learning on culture for sustainable development.</p>



<p>8. National and international partnership development</p>	<p>Capacity-building on exchange models for cities – pan-municipality and pan-institutional.</p> <p>Identification of key areas for development, which will benefit from international collaboration and exchange.</p> <p>Support with concept development for international networks and titles – e.g., UNESCO Creative Cities Network and partnership with European Capitals of Culture.</p>	<p>Knowledge of key international collaboration networks and programmes for cities – e.g., UNESCO Creative Cities Network, UCLG, Eurocities etc.</p> <p>Track record in brokering and facilitating international collaboration for cities.</p> <p>Expertise in bid development for city competitions and networks.</p>	<p>Understanding of existing partnership and collaboration between cities.</p> <p>Understanding of international cultural relations activities at a national level.</p> <p>Knowledge of the mechanisms for international collaboration for the city.</p>	<p>Establishment of a city referral / dating programme where cities are paired for knowledge exchange and to explore collaboration opportunities.</p> <p>Identification of a residency / artist exchange model for the EaP.</p> <p>Development of a digital exchange platform for the EaP.</p>
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6 In Conclusion

This report has provided an overview of the findings from the baseline research / inventories for culture in the participating cities of the EU4Culture project. It has given an overview of each country's distinctive cultural policy contexts, presented a sample of EaP cities to highlight their priorities and needs for culture-led development, and set out some strategic opportunity areas for the cities if they are to position culture as a driver for sustainable development.

Clearly, each city is different, with a distinctive blend of cultural assets, a unique partnership, and investment landscape, and thus a wide-ranging set of development needs and opportunities through culture. Individually and collectively, the participating cities have some incredible cultural assets, they are bursting with creative talent, and they are showing genuine ambition to develop cultural strategies which make a difference to their long-term sustainable development. Each city will follow its own path, but there is also a collective opportunity to build strong regional and inter-regional networks where the cities share knowledge, learn from each other, and collaborate. Such exchange will need to go beyond municipality-to-municipality dialogue. It will need to provide opportunities for



NGOs, enterprises, and artists to exchange, build new relationships and co-create solutions for culture in sustainable city development. By being networked, smaller cities will gain scale and prominence, smaller actors will feel part of something bigger, and thus the cities will feel more connected and therefore more favourable toward cultural activities and talent retention.

Yet while there are multiple opportunities for culture to play a progressive long-term role in the transformation of these cities, the road will be long and the challenges significant. It is hoped that by working together and sharing both best practice and practice which was less successful, the cities will be inclined to be bolder, more confident in taking risks, and more committed to grappling with those fundamental challenges of governance, partnership, and investment. By acting together, the cities can go further and embrace their cultural potential. The EU4Culture project in the EaP provides a platform for pioneering culture-led development based on strong evidence and fresh solutions. The next task will be to work together to realise the individual and collective potential of these fascinating and forward-thinking cities.