
Practice papers

Orange is the new colour of city competitiveness: The role of local governments in promoting cultural and creative industries

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Abstract Cities have the power to stimulate and harness culture, creativity and innovation for local development. Culture and creativity are invaluable assets with untapped potential to deliver spatial, economic and social dividends for both cities and local communities. Building on the Cities, Culture, and Creativity Framework jointly developed by the World Bank and UNESCO and reviewing lessons learned from cities around the world, this paper discusses how local governments can effectively leverage their decision making, convening power and financial resources to enable and support cultural and creative industries (CCIs) to flourish for city competitiveness. Specifically, the paper examines how local governments can foster the enabling environment and channel the support through their core functions and roles of: 1) public procurement; 2) service delivery; 3) regulating public and private space; and 4) facilitating enterprise support and incentives. Through strategic interventions across these domains and collaboration with key stakeholders, local governments can implement measures to address the constraints impeding the development and growth of CCIs and leverage them as a critical driver of sustainable urban development. While the degree of decentralisation of responsibilities, resources and capacities of each local government may differ, global experiences illustrate that the common denominator is visionary leadership that puts in place the policies

and catalyses the enabling conditions to attract and nurture CCIs, coupled with the key creativity ingredients — local talent and the uniqueness of the place.

Keywords: *cultural and creative industries, local governments, city competitiveness, sustainable urban development, inclusive growth, urban regeneration, enabling environment*

INTRODUCTION

Cities have historically been a fulcrum of creativity and innovation. They bring together people from diverse cultures and backgrounds and foster the exchange of ideas and knowledge spill-overs. The agglomeration effect of urban areas enables creativity and innovation to flourish, which in turn translates into spatial, economic and social dividends for both cities and local communities. A recent joint position paper by the World Bank and UNESCO, entitled *Cities Culture Creativity: Leveraging Culture and Creativity for Sustainable Urban Development and Inclusive Growth*¹ (hereafter, the CCC paper), discusses the importance of the creative economy^{2,3} (also called the orange economy) in cities. It illustrates how cultural and creative industries (CCIs) — which encompass audio-visual and interactive media, literature and press, performing arts, visual arts and crafts, intangible cultural heritage, design and creative services, and heritage and tourism activities⁴ — are an important source of jobs and attract investors, skilled people and creative entrepreneurs. In addition, CCIs play an essential role in regenerating the built environment into vibrant places and strengthening social cohesion and tolerance through inclusive and participatory means of expression,⁵ while also giving voices to and creating opportunities for marginalised groups and youth.⁶ Understanding the multifaceted potential and benefits of CCIs, the CCC paper presents a framework for cities to leverage CCIs for sustainable urban development and city competitiveness (see Figure 1).

Harnessing CCIs' potential and realising their transformative impact requires an enabling environment and a functioning ecosystem, including partnerships with creative coalitions and stakeholders across the CCI value chain. These hinge on the effectiveness of local government's regulatory and promotional role, as well as enabling interventions. Local governments are at the core of building inclusive and liveable communities and have unique decision-making, financial and convening power to leverage CCIs for city competitiveness and sustainable urban and socioeconomic development. This paper examines the different roles and capacities in which local governments can intervene to effectively enable CCIs to flourish. By reviewing lessons learned from cities around the world where CCIs have thrived and developed a competitive edge, this paper aims to develop an understanding of the roles and capacities that local governments have played in the process, including the domains where more government interventions made a difference (eg providing safety nets for creatives) and also where less government intervention proved helpful (eg less bureaucracy and red tape). In doing so, this paper aims to operationalise the framework for creative cities developed in the CCC paper through concrete recommendations for local government action.

ROLE OF LOCAL GOVERNMENTS IN SUPPORTING CCIs

Unlocking the potential of CCIs requires an enabling environment that creates

conducive conditions for creative talent and CCI activities to flourish at all stages, from idea incubation, research and development, production, all the way to distribution and consumption. Given the preponderance of creative talent in cities and metropolitan regions which have larger markets and demand for their activities, as well as a concentration of stakeholders along the CCI value chain, the role of local governments becomes crucial to help enable CCIs to flourish.⁷ The CCC paper presents a framework that identifies six domains, called enablers, which are critical for cultural and creative assets and resources — notably talent and intangible cultural heritage — to prosper and contribute to urban regeneration, social inclusion and economic competitiveness (Figure 1). These enablers are:

1. *Physical and spatial environment*: City infrastructure and liveability;
2. *Human capital*: Skills development and the environment to support innovation;
3. *Networks and support infrastructure*: Social networks, catalysers, artist and enterprise support and finance;
4. *Institutional and regulatory environment*: Inclusive institutions, regulations and partnerships;
5. *Uniqueness*: The key intangible ingredient at the heart of the value proposition of CCIs in a given place; and
6. Digital environment.

Further explanation of each enabler is presented in Table 1.

The six enablers represent the sum of conditions needed for creative talent and CCIs to grow and strengthen their



Figure 1: Cities, Culture and Creativity Framework⁸

ecosystem. The extent to which local governments can contribute to each enabler will have a direct impact on reinforcing their potential contribution to the economy, inclusion and urban regeneration. Yet, local governments' ability to make a difference is subject to several conditions. These include: 1) the state of decentralisation, the extent of prerogatives devolved to local governments and their mandate; 2) the level of resources at local governments' disposal and their degree of autonomy to generate and retain own-source revenues; and 3) their planning and implementation capacity.

Irrespective of the degree of decentralization of responsibilities, resources and their capacity, local governments have four core functions or roles through which they can channel support to CCIs.⁹ These roles relate to: 1) public procurement; 2) service delivery; 3) regulation of public and private space; and 4) facilitating enterprise support and incentives, as follows:

1. *Public procurement:* At the most basic level, local governments can support the creative economy through public procurement of goods, works and services produced by CCIs in support of public initiatives. This function is equally applicable in both centralised and decentralised systems. Such interventions could be temporary (eg seasonal activities or for job creation in economic downturns) or permanent. Examples include commissioning or purchasing artwork for public spaces and facilities, launching design competitions for municipal buildings and organising or promoting events such as arts fairs. In such instances, the more support local governments can bring through their direct procurement and consumption role is beneficial for CCIs;
2. *Service delivery:* Local governments

can create opportunities for CCIs to participate in public service delivery. For example, local governments operate public libraries, museums, community centres and other cultural facilities. This enhances the public's access to cultural and creative resources and helps create demand for CCIs and attract new talent to creative hubs. Local governments can also work with CCIs to design public programmes such as awareness campaigns. Local government service delivery role is a powerful tool to amplify the effects and outreach of CCIs and raise the collective awareness and value of the local cultural and creative endowments. Embedding culture and creativity into public service delivery also helps foster social cohesion and enhance liveability of the place, bringing together people with free and equitable access to cultural resources. This is also a domain where more government intervention is encouraged;

3. *Regulation of public and private space:* Local governments are generally empowered to regulate the use, configuration and design of public and private spaces, which directly affects how people behave, interact and live. Local governments can support CCIs by integrating design, arts and crafts and performing arts into the fabric of urban space and the built environment in several ways. For example, they can create design review commissions to ensure the quality of public and private spaces, including conformity with a specific urban character or the place's intangible heritage value. Local governments can also relax planning and occupancy regulations to give street performers access to public space or allow creatives to use building façades as mediums for their artwork. Local governments can also allow creative professionals to convert

unused or underutilised buildings or abandoned public spaces into creative spaces. In this domain, a balancing act is needed between regulation and flexibility, as too much regulation can stifle creativity while too little can be perceived as enforcing a laissez-faire approach, with implications on security, public safety and the ability to safeguard public assets;

4. *Enterprise support and incentives:* To tackle constraints that hamper the development and growth of CCIs or to give incentives to attract creative talent, local governments can provide support through targeted interventions in collaboration with key stakeholders in the CCI ecosystems. This includes skills development programmes and fiscal and non-fiscal incentives, including grants, subsidies and other in-kind support to attract and retain both creatives and investors. In addition, local governments can provide safety nets for creatives (who often operate in the gig economy or the informal sector) in case of loss of income — a measure that became critically important during the COVID-19 pandemic. Similarly, they have an essential role in enforcing copyrights and protecting intellectual property,¹⁰ as well as ensuring the freedom of cultural expression. In this domain, more government enterprise support interventions are encouraged.

Table 1 illustrates how local governments can deploy these intervention capacities in support of transformative action with respect to the six enablers of the CCC Framework. The specific local government interventions and expected outcomes will vary depending on the cultural and creative endowments in a given city, the political economy and stakeholder dynamics and the needs and aspirations of local communities and the creative talent.

SUPPORTING CCIs VIA THE PUBLIC PROCUREMENT ROLE

Local governments can stimulate the development and growth of CCIs through their capacity to procure goods, works and services from local creatives for public programmes. Examples include commissioning public art projects, implementing architecture and design competitions for capital improvement projects, and contracting local restaurants for meal programmes for students or civil servants, among other activities. Through procuring and implementing CCI-related activities, local governments stimulate the demand for creatives, such as to produce sculptures, paintings, murals or media arts for the public. This also helps enhance the quality of public spaces and the visual identity of places and makes the city more attractive. Furthermore, such opportunities not only support the livelihoods of local creatives but also strengthen their sense of attachment to place and motivation to enhance and transmit their skills. At the same time, the association between artist and place, such as between Gaudi and Barcelona or Frida Kahlo and Mexico City, helps further reinforce the uniqueness and character of places, as well as the public's appreciation for their work.

Local government role in implementing public investment and procurement programmes is vital especially in economic downturns. Through the role, local governments can create demand for creatives and employ them to carry out public projects during countercyclical times. Such interventions enable creatives, who typically operate in the informal sector and tend to have irregular revenue streams, to weather periods of low or unsteady demand and retain their talent. This proved to be especially important during the COVID-19 pandemic, when millions of jobs in the creative economy and as much as US\$750bn in gross value added generated by CCIs were lost.¹⁴

Table 1: Cities, culture and creativity enablers and how local government can facilitate them¹¹

| Enabler | Area of intervention for local government |
|---|---|
| <p>Enabler 1. Physical and spatial environment: Urban infrastructure and liveability Creatives need affordable workspaces located near the broader CCI ecosystem. They often jumpstart the regeneration of neighbourhoods by repurposing abandoned or underused property/public spaces and transforming them into unique places. Equally important are cities with liveability, which provide adequate infrastructure, services and amenities and an agglomeration effect to help attract more creatives.</p> | <ul style="list-style-type: none"> • <i>Service delivery:</i> Providing adequate infrastructure, services, and amenities for creatives and local communities, including museums and libraries; enhancing livability of cities and neighborhoods with improved infrastructure services • <i>Regulation of public and private space:</i> Repurposing unused/underutilised buildings and public spaces for CCIs, enabling the use of public space by artists and performers, preserving heritage sites and protected areas, allowing adaptive reuse of non-monumental historic property • <i>Enterprise support and incentives:</i> Providing subsidies to enable creatives to access affordable housing/workspaces |
| <p>Enabler 2. Human capital: Skills and innovation CCIs rely on people’s creativity, ideas, talent and intellect. Creatives and stakeholders in the CCI ecosystems need opportunities to grow and develop their skills through technical and vocational training and opportunities to learn and experiment and also to contribute to the transmission of intangible cultural heritage.</p> | <ul style="list-style-type: none"> • <i>Public procurement:</i> Launching local competitions and commissioning public art, providing targeted support to create the demand for the transmission of intangible cultural heritage • <i>Enterprise support and incentives:</i> Investing in skills development and training programmes |
| <p>Enabler 3. Networks and support infrastructure: Social networks, catalysers, support and finance Creative cities facilitate networking within and between CCIs to connect creative talent. Catalysers inspire creatives and other partners, resulting in crossover innovations or market expansion. Creatives also need business development services to commercialise their ideas and access to finance, tailored to the risks associated with their work.</p> | <ul style="list-style-type: none"> • <i>Enterprise support and incentives:</i> Subsidising CCI business support services and facilitating access to finance, developing safety nets for creatives working in the gig economy and informal sector, promoting the clustering of CCIs and co-location of entities in the CCI value chain, providing platforms and incentives for different stakeholders in the CCI value chain to collaborate and grow together, establishing special commissions or agencies to support CCIs, especially the start-ups and small to medium enterprises (SMEs) |
| <p>Enabler 4. Institutional and regulatory environment: Inclusive institutions, regulations and partnerships Creatives need institutions and regulations conducive to support their professions and their ability to live and produce in creative cities, including protection of intellectual property, promotion of diversity and inclusion and ability to live in diverse communities. Interventions needed for a CCI-conducive environment typically require partnerships between public and private stakeholders.</p> | <ul style="list-style-type: none"> • <i>Regulation of public and private space:</i> Strengthening the role of public–private partnerships and involvement of community organisations in the operation and management of public facilities and spaces, streamlining the CCI establishment and regulation processes • <i>Enterprise support and incentives:</i> Setting policies and regulations to safeguard tangible and intangible cultural heritage and intellectual property rights, promoting freedom of expression and cultural diversity, providing fiscal and non-fiscal support and incentives to CCIs and investors, enforcing policies and regulations curbing the negative impacts of gentrification |
| <p>Enabler 5. Uniqueness A city’s unique combination of intrinsic and related features allows it to generate value and attract and cultivate creative talent and the audiences that will enjoy and consume what they produce.</p> | <ul style="list-style-type: none"> • <i>Regulation of public and private space:</i> Protecting tangible and intangible cultural heritage • <i>Service delivery:</i> Leveraging and integrating CCI resources in service delivery to promote the city’s unique cultural and creative assets |
| <p>Enabler 6. Digital environment Digitalisation contributes to the development of methods and tools that can increase the efficiency of the entire value chain of some CCIs.</p> | <ul style="list-style-type: none"> • <i>Service delivery:</i> Investing in digital infrastructure and enhancing digital connectivity • <i>Enterprise support and incentives:</i> Providing incentives for creatives to utilise digital platforms effectively to promote their work and gain access to a broader consumer/ audience base and information |

BOX 1: EXAMPLES OF SUPPORTING CCIs THROUGH LOCAL GOVERNMENT'S DIRECT PROCUREMENT AND IMPLEMENTATION ROLE

Culture, arts and connectivity-based urban transformation: Medellin, Colombia¹²

Medellin had gone through a lengthy cycle of deterioration of its urban fabric mired by crime and violence, making it the most dangerous city in the world in the 1980s. Since the 1990s, the local government devised a plan to revitalise Medellin by focusing on the socioeconomic integration of the *communas*, where marginalised people lived in isolation due to the hilly geography and minimal infrastructure and services. The transformation took place through local government's commissioning of new libraries, public art and public spaces, in conjunction with improvement in connectivity and service delivery through connecting the *communas* to the city centre with a network of cable cars, together with escalators to facilitate people's mobility and access to jobs and services. The urban regeneration through public art, open spaces and public amenities, and the emphasis on the role of culture and creativity in the process helped transform the city into one of the most dynamic cities in Colombia and the region, earning the title of the most innovative city in the world by the Urban Land Institute.

Community-led, culture-based creative placemaking: Yeonnamdong, Seoul, Republic of Korea¹³

Seoul launches a call for proposals twice a year, inviting communities to develop their own urban regeneration projects to solve local challenges. Several factors are considered in the selection process, such as how suggested solutions leverage local assets, beneficiaries' diversity, synergies with other programmes and the community's capacity to sustain the initiative in the long run. The Seoul Urban Regeneration Center (SURC) works with selected communities to further develop and implement their initiatives throughout the project cycle, providing funding, technical support and connection to governmental agencies. A prominent example is Yeonnamdong, which transformed from a deteriorating area next to an abandoned old railway to a dynamic neighbourhood with culture. Supported by the SURC, locals led a creative placemaking initiative built on culture and creativity, painting murals along its narrow alleys and organising series of writing, painting and photography workshops and festivals. The cultural dynamism attracted more talent to the area, and the neighbourhood became very popular, known for its vibrant cultural scene and mural-adorned alleys. The project has been replicated in other parts of Korea aiming to regenerate dilapidated areas through the work of local creatives.

Exposing CCIs to public programmes can also incentivise them to formalise and professionalise their operations, thus expanding demand for their services to reach new markets, including overseas. In these cases, the ability of local governments to secure continuous public investment and procurement programmes which leverage and support CCIs is essential. Yet, it is equally important to ensure the selectivity of such public programmes and that they are calibrated to fill gaps in demand, instead of becoming a steady feature that stifles private initiatives or innovation.

SUPPORTING CCIs VIA THE SERVICE DELIVERY ROLE

Local governments can incorporate CCIs into service delivery functions. This includes the development of public amenities and the provision of cultural services, including galleries, museums and community centres, which create demand for cultural and creative activities and provide channels for creatives to showcase their work and for the public to enjoy them. Also, local governments can integrate different CCI specialties, such as interactive media arts in public campaigns, whether for awareness, tourism promotion or branding. Embedding culture and creativity into the fabric of urban life and day-to-day activities through service delivery not only supports CCIs and positions them prominently within the city but also enhances the uniqueness and liveability of the place. Also, by providing people with equitable access to cultural and creative resources, it helps develop creative and inclusive communities.

At the same time, local government delivery of adequate infrastructure and services to creatives' workplaces and neighbourhoods — from cultural centres to broadband — is important to attract new talent and sustain the CCI ecosystem.

Government investment to enhance digital connectivity — a trend already in place but which has accelerated considerably since the COVID-19 pandemic — is especially important to expand the public's access to content developed by the creative economy, which is increasingly digitalising. In fact, digital technology has transformed the entire value chain of many CCIs, from production, access to consumption. Digital platforms have become a major medium for creating and disseminating CCI content and generating revenues, as well as for engaging with users and other creatives globally. While technology offers new possibilities for many, the risk of a digital divide is also more present than ever, as those without access to digital means, including older artists, traditional artisans and those working with intangible cultural heritage, are increasingly left behind. To help CCIs harness the benefits of technology and tap into new possibilities, local governments can invest in expanding broadband networks and providing digital infrastructure in public spaces.

SUPPORTING CCIs VIA THE REGULATORY ROLE OF PUBLIC AND PRIVATE SPACE

Local government regulation of public and private space determines the physical setting for CCIs. Also, their role in regulating CCI activities, whether through laws, licensing or permits, directly affects creatives' capacity to produce, disseminate and sell their work and services, potentially stifling creativity. How local government regulates both physical space and creative activities — including the extent of support to the freedom of cultural and artistic expression — becomes critical to the success of CCIs. Via its regulatory role of public space, local governments can allow CCIs to use or transform public spaces for their work.

BOX 2: EXAMPLE OF SUPPORTING CCIs THROUGH LOCAL GOVERNMENT'S SERVICE DELIVERY ROLE

Building public infrastructure to support CCI activities: Brazzaville, Republic of the Congo¹⁵

Brazzaville is a city known for its rich musical heritage. A UNESCO Creative City of Music, Brazzaville has integrated music into its urban fabric, with streets filled with musical performances and hosting the much-celebrated polymorphic Pan-African Music Festival and the *Feux de Brazza* festival. Building on its unique musical tradition, the city government built physical event spaces for musicians to perform and invested in equipment and facilities, including artist residencies and a music library. Such interventions helped the professionalisation and commercialisation of music and positioned the resulting industry at the heart of the city's competitive edge.

Leveraging culture and creativity to create a vibrant public place: Tirana, Republic of Albania¹⁶

Under the vision of 'Tirana for all', the municipality carried out a number of strategic projects aimed at creating vibrant public spaces for residents and visitors and connecting people through arts and culture. One major

project was the reconstruction and renovation of Tirana amphitheatre, which was once a very popular venue for cultural events but faced decay over time. The government focused on reviving the dynamic, open-air cultural scene of Tirana and regenerating the dilapidated area. Following the successful rehabilitation, the amphitheatre reopened in 2018 with a concert featuring 400 performers, including ballet school students. It has since come back as a beloved public arena for cultural and creative activities, ranging from festivals and concerts to drama and circus shows. In addition, the municipality launched several projects to revitalise its public libraries, including 'Tirana Reads' projects, which reconstructed and modernised six deteriorated community libraries across the city, as well as building 'nature libraries' or reading spaces near Tirana's lake. This not only fostered the culture of reading, especially among youth, but also connected residents to nature. By providing enhanced culture and creative facilities to the public, Tirana rejuvenated the neglected areas and brought creatives and communities together to enjoy and celebrate arts and culture.

For instance, streets and parks could accommodate creative activities such as performing arts, while public spaces can be temporarily converted into arts and crafts exhibition spaces, flea markets or venues for cultural festivals.

Local government also regulates private space through planning and construction activities. Several cities including Montreal

and Boston have established public commissions to oversee the design quality of buildings and the built environment, as well as to protect historic property and cultural landscapes. Of particular importance to CCIs is whether local planning and building regulations could flexibly allow the repurposing and adaptive reuse of abandoned or underutilized

BOX 3: EXAMPLES OF SUPPORTING CCIs THROUGH LOCAL GOVERNMENT'S REGULATORY ROLE OF PUBLIC AND PRIVATE SPACE

Repurposing unused space for cultural and creative activities: Johannesburg, Republic of South Africa¹⁷

Maboneng and Braamfontein are two neighbourhoods in Johannesburg that offer old warehouses and unused parking lots to local creatives and food producers to use during weekends as marketplaces. These weekend markets helped instil a new arts and food cultural scene in the city and also catalysed local government to invest in neighbourhood urban upgrading, including installing streetlights and improving sidewalks. As a result, the once-neglected and dangerous areas were transformed into lively neighbourhoods.

Transforming a dilapidated complex into an ICT hub: Tirana, Republic of Albania¹⁸

The municipality of Tirana has launched a major project to transform a decaying complex, 'Pyramid of Tirana', which first opened as a museum to commemorate the long-time leader of Communist Albania and changed its function numerous times until it faced the threat of demolition. After much public debate, it was decided to renovate it as a centre for creative technologies for youth, which provides free education to foster creativity and innovation, focusing on software, animation, music and film, among others. With support from national government, the city will transform this Communist-era brutalist monument into a cultural and educational centre that cultivates the next generation of talent in CCIs.

spaces. Such spaces in rundown neighbourhoods can be an important supply of affordable workplaces and housing for creatives. Therefore, how local government sets and enforces planning regulations becomes critical in enabling CCIs to access affordable spaces and also triggers the process of urban revitalisation of such neighbourhoods.

In this domain, a balancing act is needed between introducing regulations to ensure security, public safety and safeguarding public assets and reducing stringent regulations and unnecessary bureaucracy that could stifle creativity. In a sense, this is one domain where more regulation is better in the initial stages to ensure that minimal public safety and security requirements are met, and

beyond that, streamlining and relaxation of restrictive regulations is better for unleashing creativity. Ultimately, how the government regulates the use of space is critical to provide cultural arenas for communities and also to serve as a stage or workspaces for CCIs, and any undue burdensome regulations will affect the nature of creative activities.

SUPPORTING CCIs VIA THE ROLE OF ENTERPRISE SUPPORT AND INCENTIVES

Local governments can provide enterprise support through policies and incentives to enhance CCI growth and competitiveness. After identifying the key constraints facing CCIs, local governments can implement

targeted interventions, tackling challenges such as lack of protection for intellectual property rights or access to finance. Local government can provide CCIs with small grants, subsidies, guarantees and equity investment, as well as tax incentives. In addition, with their convening power, local governments can connect public, private and civil society stakeholders to create coalitions and partnerships and promote crossover innovations.

Moreover, local governments can deploy legal, financial and institutional interventions to reduce barriers to entry and upfront costs, especially for start-ups and entrepreneurs. Local governments can also support creatives with innovative ideas that lack resources, marketing intelligence, or appropriate networks, as well as safety nets during downturns. These measures would enable CCIs to experiment, advance and flourish.

BOX 4: EXAMPLE OF SUPPORTING CCIs THROUGH LOCAL GOVERNMENT'S ROLE OF FACILITATING ENTERPRISE SUPPORT AND INCENTIVES

Ensuring creative communities to flourish with multi-sectoral supportive interventions: Kyoto, Japan¹⁹

Endowed with a wealth of tangible and intangible cultural heritage and creative capital, Kyoto enabled CCIs to flourish through a mixture of top-down and bottom-up approaches. As the ancient capital of Japan, Kyoto's long legacy as a cultural hub attracted creative talent, causing the formation of a new creative cluster focused on technology, art and entrepreneurship. With an understanding of the potential of the creative sectors, the Kyoto government implemented support measures across different sectors and scales, including cultural heritage protection, urban regeneration, skills development, financing, sales assistance and industrial policy, to create a conducive environment for CCIs. It also developed culture-centred city visions and traditional industry revitalisation promotion plans, presenting the city's commitment to promoting CCIs. With the strategic support, Kyoto's creative industry continues to flourish, accounting for 16–18 per cent of all

private enterprises, and 10–12 per cent of all workers.

Nurturing local performers to experiment and flourish: Quebec, Canada²⁰

The world's most famous circus company, Cirque du Soleil, originated as a troupe of street performers in Quebec. Following a successful publicity stunt, the Quebec government provided funding to the troupe to produce tours around Quebec and also assistance to host a production to celebrate the 450th anniversary of the French explorer Jacques Cartier's discovery of Canada, resulting in Cirque du Soleil's first production. In its early years, Cirque du Soleil's operating budget was heavily subsidised with public funds. With government support, Cirque du Soleil emerged in the international scene, reinventing circus arts. When the company was forced to shut down its shows due to the COVID-19 pandemic, the Quebec government also provided important financial assistance, noting its symbolic and cultural significance for Quebec.

Providing safety nets to creatives during the COVID-19 pandemic: Berlin, Federal Republic of Germany²¹

The COVID-19 pandemic heavily hit most CCIs, in which many jobs tend to lack employment security and standard benefits. As early as March 2020, the Berlin government quickly created an emergency relief programme in partnership with the Investitionsbank Berlin, which is a business development bank of Berlin for SMEs, start-ups and founders, offering €5,000 to individual freelancers and up to €15,000 to small businesses. Freelancers, including artists,

tour guides, event planners, fashion designers, as well as hairstylists and restaurant workers, who were unable to work due to the lockdown, could easily apply for the aid programme and were provided with the much-needed assistance to stay afloat. Following the emergency grant, the government has been providing comprehensive support to freelancers and small businesses in CCIs through different financial aid programmes, including grants, rent subsidies and interest-free and bridge loans, as well as setting up hotlines and online assistance services to provide consultations.

CONCLUSION

While recognising that there is no silver bullet for supporting the creative economy given the differences between places in terms of political economy, devolved responsibilities, resources and capacities, there are various functions through which local governments can promote CCIs and enable them to flourish. Such support is channelled through the following roles of local governments: 1) public procurement; 2) service delivery; 3) regulating public and private space; and 4) facilitating enterprise support and incentives. In each of these, local governments can implement measures to address the constraints impeding the development and growth of CCIs and leverage them as a critical driver of sustainable urban development.

While many CCIs grow organically catalysed by individuals or key events, global experience shows that thriving CCI ecosystems are induced by a mix of enabling support from government and creative coalitions. Local governments can promote the creative economy by directly contracting creatives, providing quality urban infrastructure and services and enabling talent development and skills

transfer channels to attract creatives and help them thrive. Local governments can also invest in or repurpose public space to support cultural and creative activities, as well as improve access to affordable housing and workspaces and minimise gentrification's displacement effects on creatives. Local governments also have a role in catalysing partnerships and networking among key stakeholders in the CCI value chain with its convening power. Moreover, they can provide fiscal and non-fiscal incentives in support of the creative economy, as well as protect intellectual property rights and the legal and socioeconomic status of creatives, including through safety nets during downturns.

On the other hand, where local governments devote extensive efforts to commodify and monetise culture and creativity in their efforts to strengthen city competitiveness could backfire by harming the originality or cultural value associated with intangible heritage practices. To harness the potential of CCIs, local governments need to find the right balance between providing support — through efficient regulation and provision

of infrastructure, support tools and resources, including stimulation of demand — and allowing flexibility for creatives to exercise their creative expression.

Through these strategic interventions across different domains and collaboration with key stakeholders, local governments can promote CCIs and enable a vibrant creative economy. Experience shows that a city's size or economic conditions are not prerequisites for effectively promoting and growing the creative economy. Indeed, a World Bank study²² demonstrated that the most competitive cities in emerging and developing economies²³ were not megapolises or household names; rather, they were mostly secondary cities. Cities like Bucaramanga, Tangier and Gaziantep demonstrated the agility, visionary leadership and strong public-private partnerships that play decisive roles in delivering tangible results for firms, households and the overall economy. The case studies in the CCC paper and this paper also indicate that the creative cities label is not only restricted to leading megacities such as New York or Seoul. Instead, smaller cities such as Brazzaville, Tirana, Santos and Madaba have all proven able to leverage their uniqueness and city-specific conditions. The common denominator is visionary leadership that puts in place the policies and creates support conditions to attract and nurture CCIs, coupled with the key creativity ingredients — local talent and the uniqueness of the place.

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2. According to the United Nations Conference on Trade and Development (UNCTAD), the creative economy is 'an evolving concept which builds on the interplay between human creativity and ideas and intellectual property, knowledge and technology. Essentially it is the knowledge-based economic activities upon which the "creative industries" are based.'
3. Ernst & Young/UNESCO (2015), 'Cultural times: The first global map of cultural and creative industries' noted that CCIs contributed approximately US\$2.25tr in revenues (3 per cent of global GDP) in 2013; however, the misalignment between existing census taxonomies and metrics concerning the creative economy implies a likely undercounting of creative economic activity. UNCTAD/UNDCP (2010), 'Creative Economy Report 2010: A Feasible Development Option' also points out how the intellectual property value of the creative economy is often bypassed and not captured by conventional trade measures. Lastly, a large share of jobs in CCIs, especially in developing countries, are informal or part of the gig economy, making it challenging to understand their actual size and contribution to the economy.
4. *Ibid.*, ref. 1, defines CCIs as: 'Industries whose principal purpose is the production or reproduction, promotion, distribution, or commercialization of goods, services, and activities of a cultural, artistic, or heritage value. Building on the 2009 UNESCO Framework of Cultural Statistics and UNESCO's definition of intangible cultural heritage, for the purpose of the Cities, Culture, and Creativity Framework, the definition of cultural and creative industries encompasses the following cultural domains: audio-visual and interactive media; literature and press; performing arts; visual arts and crafts; intangible cultural heritage; design and creative services; and heritage and tourism activities. Since gastronomy is included in some definitions of CCIs, it is taken into consideration in [the publication].'
5. Cultural and creative activities which are linked with specific places or groups, communal values, and traditions strengthen cultural identity and social cohesion. In addition, expression of and appreciation for creativity help foster the sense of diversity and tolerance.
6. Solutions for Youth Employment (S4YE)/World Bank (2020), 'Orange Economy: As a Driver of Jobs for Youth', Thematic Note, No. 1, available at <https://www.s4ye.org/sites/default/files/2020-09/Jobs%20in%20the%20Orange%20Economy.pdf> (accessed 18th October, 2021).
7. Fazlagić, J. and Szczepankiewicz, E. I. (2020), 'The Role of Local Governments in Supporting Creative Industries—A Conceptual Model', *Sustainability*, Vol. 12, No. 1, available at <https://doi.org/10.3390/su12010438> (accessed 18th October, 2021).
8. *Ibid.*, ref. 1.

9. Although the quality of such support and impact will depend on the degree of decentralisation and local government capacity.
10. The overall enabling environment is regulated at the national level but there is still an important complementary role for local government including for enforcement.
11. *Ibid.*, ref. 1, authors' compilation based on the six enablers of the CCC Framework.
12. UNESCO/World Bank (2018), 'Culture in City Reconstruction and Recovery', Paris/Washington, DC, available at <https://openknowledge.worldbank.org/handle/10986/30733> (accessed 18th October, 2021).
13. Based on case studies developed for UNESCO-World Bank, *ibid.*, ref. 1.
14. UNESCO (2021), 'Cultural and Creative Industries in the Face of COVID-19: An Economic Impact Study', Paris, available at <https://en.unesco.org/creativity/publications/cultural-creative-industries-face-covid-19> (accessed 18th October, 2021).
15. *Ibid.*, ref. 13.
16. City of Tirana (2021), 'Tirana: A place beyond belief', Unpublished.
17. *Ibid.*, ref. 13.
18. *Ibid.*, ref. 16.
19. Based on Mulas, V., Miki-Imoto, H., Jain, V., Tawara, S., Kadono, M. and Wyne, J. (2021), 'Kyoto A Creative City: Leveraging Creativity for City Competitiveness and Inclusive Urban Transformation', World Bank, Washington, DC, available at <https://openknowledge.worldbank.org/handle/10986/35582> (accessed 18th October, 2021).
20. Cirque du Soleil, available at <https://www.cirquedusoleil.com/> (accessed 1st September, 2021).
21. Official website of Berlin, available at <https://www.berlin.de/> (accessed 1st September, 2021); Investitionsbank Berlin, available at <https://www.ibb.de/de/coronahilfen/zahlen-im-ueberblick.html> (accessed 1st September, 2021).
22. World Bank (2015), 'Competitive Cities for Jobs and Growth: What, Who, and How', Washington, DC, available at <https://openknowledge.worldbank.org/handle/10986/23227> (accessed 18th October, 2021).
23. In terms of growing their economies, creating jobs and increasing household incomes.