



INFLUENCE OF CULTURE ON REGIONAL DEVELOPMENT, URBAN DEVELOPMENT

*Cultural heritage as a city
forming factor, development
of infrastructure for maintenance
of cultural objects,
capitalization mechanisms*



Introduction

Although cultural heritage is something inherited from the past, it has always been and still is an important and quite contemporary cultural resource all over the world. It connects people to their past, being one of the significant identity components, it provides people with the cultural memories and knowledge for a better and more inclusive and understanding societies. Cultural heritage is a definite part of an interregional and international dialogue, as it can provide safe grounds for researching and embracing multiple and often conflicting memories and historical narratives. It is a base for a life-long learning and citizens engagement.

Cultural heritage is increasingly seen as a vital economic asset and a driver for local and regional development. In fact, it was the first cultural domain to be considered economically relevant. Already in the 1970s, both the United Nations Development Programme (UNDP) and the World Bank were beginning to justify investments in historic preservation on purely economic grounds, and by the late 1980s it had become commonplace to speak of a "heritage industry" that had emerged, notably in symbiosis with the growing tourism industry. Today, many countries, regions and cities recognize the link between the culture and tourism sectors, often uniting them under a single ministry or department. Cultural tourism, showing a steady rise over the decades, is becoming a more and more significant factor of local and regional development.

It's worth keeping in mind that tourism pressure may hamper cities' ecosystem. However sustainable approach to tangible and intangible heritage provides cities with multiple and diverse growth opportunities. Economic benefits from revitalisation of historic areas and safeguarding of cultural heritage include, but are not limited to, impulses to the local production systems, job creation, and marketing bonuses as cultural heritage increases cities' attractiveness and helps their unique positioning and image.

Among others, cultural heritage is a vital factor for increasing citizens' awareness and participation in the city development, thus safeguarding its sustainability and creating more stable and trusting relations between governments and private actors.

The promotion and valorisation of cultural heritage can be instrumental for the regeneration of areas facing challenges such as de-industrialisation. It is cultural heritage together with the critical mass of cultural actors that form the base for starting cultural and creative industries (CCI).

The rich and varied heritage throughout Europe features great potential to promote lesser known destinations as well as to develop sustainable cultural tourism.

Facts and Figures

- According to the World Tourism Organization (UNWTO), over the past six decades **tourism has experienced continued growth and diversification** to become one of the world's largest and fastest-growing economic sectors. International tourist arrivals have risen from 25 million in 1950, to 277 million in 1980, to 438 million in 1990, to 684 million in 2000, and 922 million in 2008. By 2020 international arrivals are expected to reach 1.6 billion. As growth has been particularly brisk in the so-called "emerging regions", the share of international tourist arrivals received by developing countries has steadily risen, from 31 per cent in 1990 to 45 per cent in 2008. International tourism receipts rose by 1.7 per cent in real terms to US\$ 944 billion in 2008.
- Europe is a key cultural tourism destination, with a large number of major cultural sites and a strong flow of culturally motivated international and domestic visitors. It is estimated that **cultural tourism accounts for around 40%** of all European tourism (including general and specific cultural tourists).
- According to Eurostat, the most popular tourist destinations in the EU are Paris, Berlin, Rome, Barcelona, and Praha - the cities, whose identity is built largely around tangible and intangible cultural heritage.
- PriceWaterhouseCoopers in **The European Cluster Observatory Report on Creative Industries** (2013) highlighted that cultural heritage, owned and operated by public institutions, is a major asset in creative economy and it should be recognised as such by governments. The report places cultural heritage at the core of the development of CCI and creative clusters.
- Culture in general and CCI in particular have **a direct impact on the value of urban real estate**, becoming a key element of culture-led urban regeneration strategies. This impact can come as a result of both large flagship projects, like a heritage regeneration project or a creative cluster, and smaller creative micro-businesses or small scale cultural activist activities.

Solutions

Case 1

The Bavarian city of **Regensburg** is developing around a unique medieval city center that in 2006 was included in the UNESCO World Heritage List as “Old Town of Regensburg with Stadtamhof”. The city has sought to make the most of this unique cultural heritage and invested in the restoration and preservation of the Old Town since the 1960s. Since 2006 the focus has been to sustain and manage adequately the heritage site.

Main management tool — a World Heritage Management Plan (WHMP) outlining how the universal value of the World Heritage should be preserved was officially endorsed in the wake of the UNESCO award in 2007. WHMP is a model plan for cities and regions to manage large-scale heritage sites.

Adopting an innovative and inclusive approach, the municipal team co-designed the current plan, working actively with a broad range of experts and citizens. These stakeholders formed a “**local support group**” that was divided into smaller units to work on specific points of the WHMP. Whilst the city of Regensburg is primarily responsible for implementing the plan, the local support group structure still oversees the whole process.



- The World Heritage site spans over 182 ha and 984 historical buildings, and is surrounded by a “buffer zone”, with specific urban planning rules, of more than 775 ha.
- The main challenges, addressed by the WHMP are:

1. the safeguarding of historical architectural heritage and its visual integrity – to balance protection of the site and its needs for adaptation for the future functions,
2. the safeguarding of the multifunctional quality of the site (housing, work, leisure, gastronomy, retail, tourism). Diverse functions within a very dense and limited space may lead to conflicts due to utilisation and commercial interests, which in turn have the potential to jeopardise the multifunctional quality of the inner city,
3. planning for natural risks and environmental challenges (floods, air pollution, and climate change).



- WHMP identifies eight main fields of action with concrete solutions for each field:
 1. Support to the tangible heritage with public and private investment is secured through special funds or architectural prizes
 2. Strategic approach is used to the local cultural offering to improve visitors' experience on the site.
 3. Economic development is promoted through a programme supporting start-ups, as well as by limiting vacant retail spaces.
 4. Housing is developed, while taking into account new projects as well as social diversity and quality of life.
 5. Mobility is endured through promotion of cycling and local public transportation.
 6. The specificities of the Old Town are accounted for in all urban planning documents
 7. Environmental balance is accounted for preservation of historic buildings.
 8. Program for awareness-building and research is developed.

- A tax relief scheme dedicated to cultural heritage was designed. It contributes to securing private investors for the site.
- The Old Town is estimated to have a very positive impact on local retail, as a gross annual turnover of approximately €1.3 billion is achieved by the 1,400 shops around the city.
- Over 300,000 visitors were accounted for in the visitor centre in 2011.



Case 2

Archaeological ensemble of Mérida was listed as a UNESCO World Heritage site in 1993. The capital city of the Spanish region of Extremadura, rich in valuable Roman heritage. The city's Special Protection Plan creates a strong link between heritage protection and urban development, aiming at making the urban development distribution compatible with heritage protection. An important part of the city's planning activity has been related to the heritage research, documentation and protection, with the aim of integrating existing valuable sites in new urban spaces.

The Consortium of the Monumental City of Mérida was created in 1996 as a joint instrument for coordinating the many activities of institutions involved in managing of the town's heritage. The consortium implemented the Special Protection Plan. The key challenge for the Consortium was to use in the best possible way the abundant resources of monumental heritage) with the limited resources available in order to promote economic growth and social inclusion.

The Consortiums' tool have been to develop various forms of partnership, involving citizen participation and private actor contributions. There are four main initiatives, implemented by the Consortium:

1. The "Mecenas" initiative is open to citizens, associations, institutions and companies, which can become patrons of heritage sites and receive advantages in return (free entrance, shop discounts, special events invitations, etc.).
2. "The School adopts a monument" initiative allows for the participation of schools in heritage protection and knowledge dissemination. Schools sponsor a monument and develop activities around it during the year, with privileged access to the site.
3. The "Heritage Emeritus" initiative is a programme of social volunteering, with the ultimate aim of promoting and facilitating access to heritage, especially to those groups that are at risk of poverty or social exclusion (unemployed, sick, from disadvantaged areas etc.).
4. The "Emerita Lúdica" initiative develops historical recreation activities to promote Mérida's Roman heritage. Each annual edition becomes a prime tourist attraction both for the city and the region, when for a few days, numerous recreational activities set in Roman times are performed by leisure associations, with the participation of artists and companies.



- As opposed to most cultural initiatives, in the case of Mérida Consortium's **private funding and income (75%) exceed public funding (25%)**. The 2015 budget totaled €3,291,453. Private funding was composed of patrons' contributions in the "Mecenas" and "Emerita Lúdica" initiatives, the schools' sponsorship in "The School adopts a monument", and entrance fees. For 2015, the consortium expected 68% of revenue to come from entrance fees, 16% from public entities, 9% from hiring spaces and sales and 7% from patronage. By way of comparison, the 2014 culture budget for the municipality of Mérida was €537,300.
- Through the "Mecenas" programme between 1,500 and 2,000 people and local businesses are involved as sponsors. In 2014 and 2015, the consortium budget increased by 6.8% thanks to private contributions.
- The "Emerita Lúdica" initiative attracted more than 30,000 people and involved more than 400 volunteers in its fourth and fifth editions.
- Throughout the year, Mérida's heritage receives more than 500,000 visitors, 12% of them international.

The Consortium succeeded in building sustainable partnerships with different local groups and businesses, ensuring their involvement, participation and co-responsibility. The educational dimension guaranteed a long-term appreciation of heritage, while the use of archaeological sites as touristic assets made heritage a sustainable resource. The "Mecenas" initiative ensured the intrinsic financial sustainability of the monuments' preservation in the long run, with increasing funding and sponsorship.

The consortium's successful promotion of cultural heritage has encouraged the regional government to replicate it in other cities of Extremadura.

Results and Impacts

- Recent research shows that there is a shift away from purely heritage-based tourism towards those cities that offer additional forms of culture/creativity — ex. festivals and other special events. Cultural heritage sites becoming **platforms** for larger cultural and educational activities prove to be more sustainable.
- Regeneration and safeguarding cultural heritage sites is a powerful impulse for **development of local economy**, for rise and strengthening of small and medium businesses, it creates jobs in leisure and hospitality sector as well as creative one. By the same token, local SME's can support heritage sites as partners, sponsors, activists.
- **Revitalisations of heritage** sites that includes adapting their parts for contemporary needs — housing, retail, creative hubs etc — ensures them being an active part of the city's daily life, thus guaranteeing sustainability.
- The continued expansion of tourism has the potential to jeopardise environmental and social conditions. It can promote elitist commerce and destroy local economy and neighbourhoods life. **Active citizens involvement**, well coordinated collaboration of different groups of citizens, local businesses, educational facilities and cultural institutions on all the stages of planning and implementing regeneration and/or developmental and safeguarding activities have proven to lead to more sustainable development of the city.
- **Educational activities** and programmes involving cultural heritage guarantee life-long learning and shared responsibility for the sites from different groups of citizens, especially young ones.
- Historical, cultural and artistic heritage provides a **breeding ground for creative industries** through a variety of mechanisms. As a rule creative industries build upon a rich and diverse core of cultural heritage and skilled artists and other creative practitioners and rely on the effective interconnection of various related layers of entrepreneurial and innovative services to bring creativity to the market.

Recommendations

- Cultural heritage is a **major asset in creative economy**. The first step towards that is its recognition as such by local, regional, and national governments.
- Cultural heritage (as a part of creative economy) is mostly locally rooted. Combined with general turn towards decentralisation and empowering the regions it provides cities and regions with comparative advantage. Successful policies should emerge from **synergies between the national and local levels of government**, as well as from their interaction and cooperation with the private sector and civil society.
- Tangible cultural heritage is an important asset, at the same time it can be a serious challenge for regional or municipal resources. **Well-defined management plan proved to be a valuable tool** that allows to set accessible goals, manage resources, break bigger problems into smaller manageable tasks, built in monitoring, and involve various groups of urban and heritage professionals as well as local citizens and immediate stakeholders (local residents, shop owners etc).
- **Involvement of local actors** (citizens, SMEs etc) in revitalisation and safeguarding of the cultural heritage is a key to sustainable development of the sites and of cities and/or regions. It allows for setting and carrying on long-term goals, for sharing responsibilities, for widening resource base, and for creating a space for an ongoing dialogue between different groups of citizens as well as between the citizens and government. Different citizens groups can manage smaller tasks within the management plan, making it realistic and doable. Citizens' involvement is also a crucial safety measure against short-comings of the tourism industry.
- **Transparency, on-going consultations, collaboration and open communication** is a key to the success.
- Cultural heritage can become core of development of CCI and creative clusters. Revitalisation and valorisation of cultural heritage can help regenerate challenged and remote areas (former industrial sites, sites, placed far away from traditional touristic routs, etc). **Building CCI around cultural heritage sites boots their sustainability** in terms of emotional and financial co-responsibility, visitors experience, and making them a part of contemporary cultural domain.
- Various **financial incentives** (tax reliefs, credit plans, special terms of rent etc) for stakeholders like local residents, SMEs, creative clusters and hubs, patrons and supporters – can bring significant benefits.

Additional information

UNESCO Creative Economy Report, 2013

<http://www.unesco.org/culture/pdf/creative-economy-report-2013.pdf>

European Cluster Observatory. Creative industries: Analysis of industry-specific framework conditions relevant for the development of world-class clusters, 2013

http://www.emergingindustries.eu/Upload/CMS/Docs/Creative_industries_FCs.pdf

Creativity, Culture & the City: A question of interconnection, by Charles Landry, 2010

https://www.forum-avignon.org/sites/default/files/editeur/ECCE_report.pdf

Culture for Cities and Regions

<http://www.cultureforcitiesandregions.eu>

Eurostat. Urban Europe – statistics on cities, towns and suburbs – tourism and culture in cities

http://ec.europa.eu/eurostat/statistics-explained/index.php/Urban_Europe_-_statistics_on_cities,_towns_and_suburbs_-_tourism_and_culture_in_cities#Main_statistical_findings

Impact of European Cultural Routes on SMEs' innovation and competitiveness. Council of Europe

https://ec.europa.eu/growth/sectors/tourism/offer/cultural_en

World Tourism Organization

<http://unwto.org/facts/menu.html>