

Results and Challenges to the Implementation of European Policy Supporting Creative Business in Bulgaria

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Abstract— The present paper explores the results achieved by Bulgaria authorities and business in the field of creative industries implementing different European initiatives and programmes. On global scale creative industries are perspective subject due to its powerful potential and impact that could have on the other sectors of economy. However the importance of creative business which leading characteristic is connected not only with the financial aspects, but also with the creative possibilities, has to be in the center of the small national economy such the Bulgarian is.

Keywords— *EU programmes and initiatives, Creative Industries, Creative Business.*

I. INTRODUCTION

Bulgaria as full member-states of the European Union since 2007 has already implemented different policies and initiatives aiming to be developed different perspective economy sectors. For small national economy some of these policies had really serious impact due to the good and effective combination of financial resources and potential of enterprises themselves. From several years European Commission provides clear and purposeful policy supporting the development of creative industries in all EU member states. In this paper we will explore the implementation, including results and will identify on this base the challenges for the EU policy supporting creative business in the context of the national economy of the Republic of Bulgaria.

II. LITERATURE OVERVIEW

The essential question on the economic development and the leadership on global scale provides to all players possibilities to improve their position through implementing different initiatives and policies. European Union and European Commission have admitted the powerful potential of the Creative and culture business and have identified as perspectives these sectors of economy. Therefore the interest of scientists and researchers explicable is focus on the exploration and developing different aspect of creative and culture business. Moore in [4] presents an historical approach to the CCI as a part of creative economy concept. She admits that during the years the definition of creativity especially in the connection to the economy has changed through different meanings: “The idea of creativity becoming an asset has been part of economic policies since the 1990s and have evoked a variety of new terms, such as the “creative sector”, “copyright industries”, “content industries”, “experience economy”, “creative business sector”, “art centric business”, “cultural and communication industries”, “media industries” and “knowledge economies”[ibid]”. Daubaraitė and Startienė explore the impact of the creative industries on the national economy. They strictly divide creative to the culture

industries. One of their major findings after a comprehensive analysis is that creative industries “...creates jobs and wealth by employing personal skill, talent and creativity. Containing loosely related sub-sectors, creative industries must not be confused with cultural industries. The latter aims towards social and cultural goals while the creative industries emphasize the importance of economic success” [3]. Boccella and Salerno study the role of creative economy and cultural industries on the local level. In [1] they admit, “Europe has a strong interest in the cultural and creative industries, as they are a source of economic growth” and provides different data and convincing evidences for the role of CCIs for the local development in Italy. They also conclude “Particular attention has to be paid to the multiplier effects generated by the economy of culture and the positive impact on the employment: in fact, the cultural and creative industries as well as the sectors of historical, artistic and architectural heritage, performing arts and visual arts, are actually employing 1.4 million people, that means the 5.9% of whole Italian employment ...” [ibid]. Regional focus this time for Romania is presented by Pintilii et al in [5]. The authors accept the level of CCI development as an indicator for the overall economic development of some region. After an analysis in depth the researchers find that “an increasing share of economic creative activities, which tend to contribute more significantly to the increasing of functional complexity of the local economies. This trend is underlined by the evolution of the number of firms, changes in turnover and the evolution of the number of employees in creative activities” [ibid]. Shuqin makes interesting research focusing on the computer-based part of Creative Industries. In [6] the author explores the impact that high-tech could be on the CCIs and defines three major areas: “Computer technology can excavate the value of traditional cultural resources; Computer technology affects the management of creative industries; Computer technology helps to speed up the platform construction of creative industry parks ” [ibid]. Chuluunbaatar et al in [2] bind the level of development of CCIs with the role of clusters and social capital. They “integrate the social aspects to the cluster theory to explain the key drivers to CCI development from social capital perspective” [ibid]. The scientists conclude “CCI development is not only dependent on a predetermined cluster; the social aspects of creative talents, as the active contributors of CCI development, aid significantly to the industries development, hence should not be neglected” [ibid].

III. EUROPEAN POLICY TO SUPPORT CREATIVE INDUSTRIES

The basis of the legal perspective of the supporting the CCIs could be found in the Treaty on European Union [7] and in particularly in the article 3, where the last sentence is dedicated to the culture aspect of the Union “It shall respect its rich cultural and linguistic diversity, and shall ensure that Europe's cultural heritage is safeguarded and enhanced”. This initial statement is developed in the separate title within Treaty on the Functioning of the European Union, dedicated to the culture (Title XIII). Here the article 167 defines the four major areas where the support of the European Authorities will be provided [8]:

- improvement of the knowledge and dissemination of the culture and history of the European peoples,
- conservation and safeguarding of cultural heritage of European significance,
- non-commercial cultural exchanges,
- artistic and literary creation, including in the audiovisual sector.

One of the major programs on European level specially designed for the focusing implementation of the EU policy for CCI is the Creative Europe Program 2014-2020. The program is established by the Regulation N 1295/2013 of the European Parliament and of the Council [9]. According to the Article 3, general objectives of the Program are as follows:

1. to safeguard, develop and promote European cultural and linguistic diversity and to promote Europe's cultural heritage;

2. to strengthen the competitiveness of the European cultural and creative sectors, in particular of the audiovisual sector, with a view to promoting smart, sustainable and inclusive growth.

Major spheres of intervention of the programs are in accordance to the EU strategic documents and cover different aspects within CCIs:

- Supporting development of European films, TV programs and games;
- Distribution and promotion of European films, festivals, cinema networks;
- Training for cultural and creative professionalisms and artists;
- Literary translations

- Cross-border cooperation.

The allocation of the total budget of €1.46 billion of the program is presented on fig. 1.

As we can see on fig.1, the accent of the programme is on the Media Sub-programme in terms of budget allocation. On the other hand, different variety and aspects of media require more financial resource, which could be one of the other reasons from this budget proportion.

On the other hand, it is also interesting to examine the countries eligible for the measures of the programmes. Besides all 28 EU member states, several countries are also eligible, there are the following: Iceland, Norway, Albania,



Fig. 1. Budget allocation (in %) of the Creative Europe Programme 2014-2020

Source: article 24 of the Regulation (EU) no 1295/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Creative Europe Programme (2014 to 2020)

Bosnia and Herzegovina, North Macedonia, Montenegro and Republic of Serbia. But also there are several countries that are partly eligible (fig. 2).

For the counties such Bulgaria which are the external border of EU (only Romania is the EU member states from all neighbouring countries) the including of non-EU member states as eligible countries under Creative Europe programme could be considered as good precondition to proper development of creative business on local and regional level.

IV. BULGARIA UNDER IMPLEMENT OF THE CREATIVE EUROPE PROGRAMME 2014-2020

According to information from the database of the European Commission concerning the current implementation of the Creative Europe Programme, so far Bulgaria has 88 projects in total. Interesting finding is that the major part of these projects has been developed and implemented by Bulgarian beneficiaries by their own. The proportion is visualized on the fig. 3.

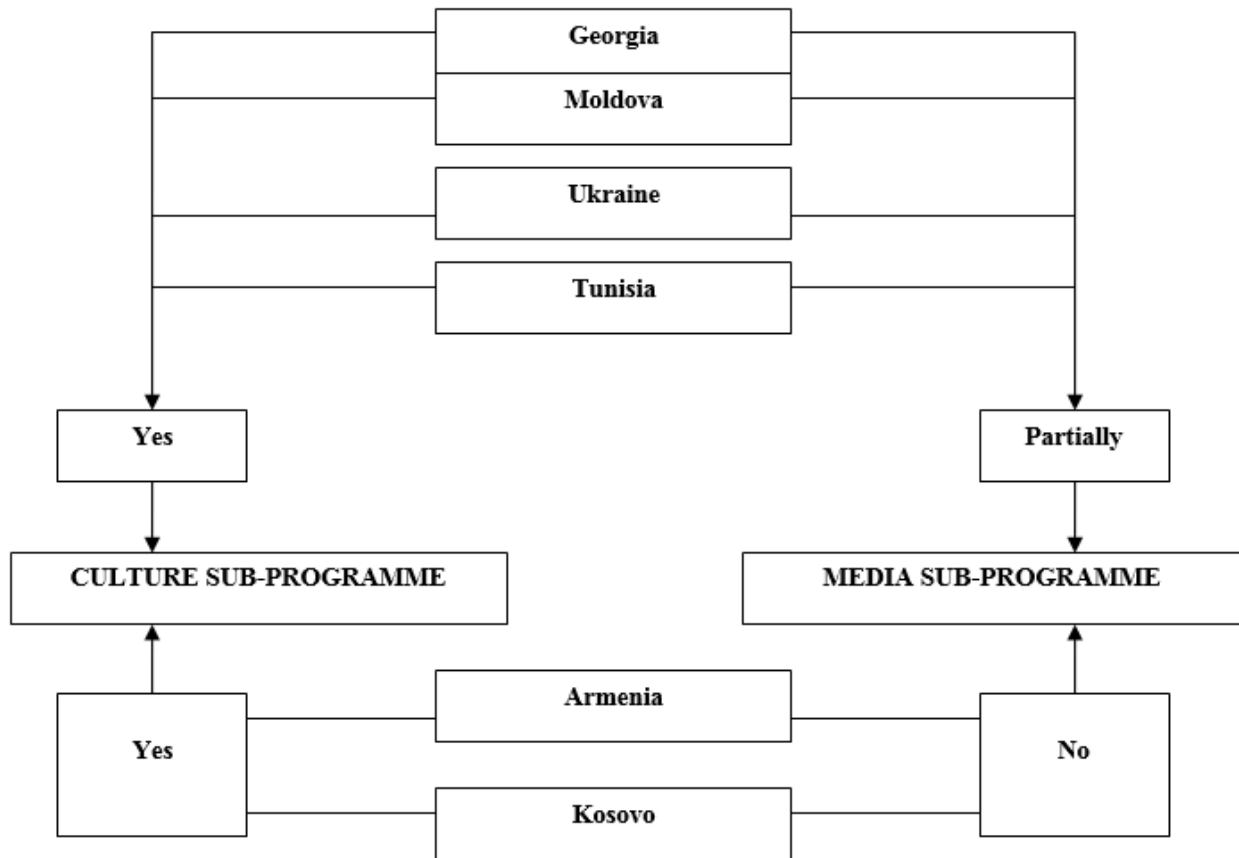


Fig. 3. Countries with partially participation in the Creative Europe Programme 2014-2020

Source: Article 8 of the Regulation No 1295/2013 establishing the Creative Europe Programme

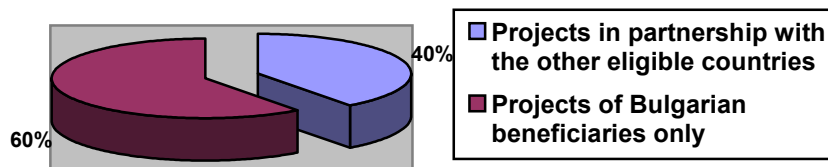


Fig. 3. Distribution of Bulgarian participation in implementation of Creative Europe programme 2014-2020

The results show the predominance of the projects elaborated and implemented by the Bulgarian beneficiaries by their own – from all 88 projects only 35 are in partnership with other eligible countries. This finding could be interpreted in two opposite directions – first one is the admission that Bulgarian business is more active and has interesting idea that could be developed in local or regional level. The second one is in a negative aspect – that Bulgarian organizations don't have enough developed and reliable working cooperation and partnership experience with the organizations in CCIs from the other countries. However one of the recommendations for the Bulgarian business and organizations in CCIs is to develop in more purposeful way the cooperation and networking relations with organizations from the other countries.

The distribution of different types of project by years is presented on fig. 4. Several interesting findings could be pointed out and further discussed. For instance there is no sustainable and visible trends of any types of the projects. With some stipulations (for the results in 2015 and 2016 which are the same) and one exception (2019) it could be said that there is a tendency of progress in the projects elaborated and implemented in partnership. The results for 2019 are not finale and therefore this tendency could be preserved having in mind that in general the projects with more than one organization and partners coming from different countries the preparation phase usually takes more time (for coordination all activities etc.)

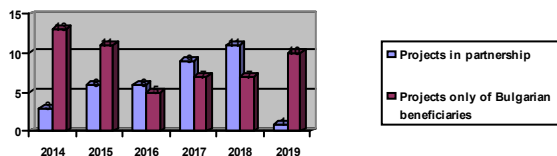


Fig. 4. Distribution of different types of project by years (by numbers) Source: European Commission database and own calculations

However the results are curious in several different parameters: first lets have a closer look on the projects prepared only by the Bulgarian beneficiaries. In 2013 they are 13 (the best results so far), 2015 – smoothly reduce and then in 2016 – the smallest number of projects – 5. The peak at the beginning of the period could be explained with the time for preparation between the two programming periods and closing the previous programme, which gives more time to prepare good projects right after the starting of new calls. Then the outflow resuming in the low level of interest (5) in 2016 is difficult to be explained. In more comprehensive analysis of these results we could find the interesting relations between the two types of projects. The summary of projects with Bulgarian participations (despite by own or in partnership) is presented on fig. 5.

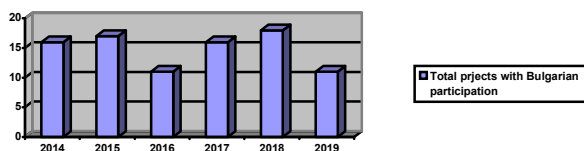


Fig. 5. Total projects with Bulgarian participation under Creative Europe Programme 2014-2020 (by years) Source: European Commission database and own calculations

Now the overall picture is clearer – obviously 2016 was the year with the smallest number of Bulgarian participation in the projects approved for funding under Creative Europe Programme – only 11 projects. The next year of considered period mark an increasing of approved projects, but this increasing is a result mainly of the projects prepared in partnership. The results of 2019 are not final, but we could mark the relatively high number of projects prepared by the Bulgarian beneficiaries. Here the disproportion between the two types of project is most visible, but there is still enough time for balance.

As the projects in partnership are concerned, the most preferable countries for the Bulgarian organizations have to be defined in order to reveal the usual networking in the field of CCIs. The results of analysis are shown on fig. 6.

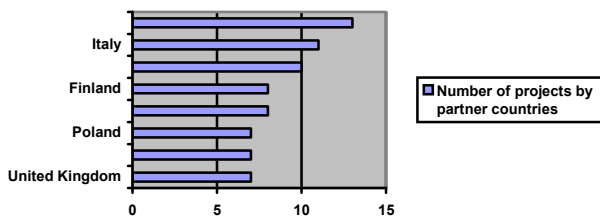


Fig. 6. Most preferable countries partnerships for the Bulgarian organizations (by projects under Creative Europe Programme 2014-2020) Source: European Commission database and own calculations

Czech Republic (15), France (14) and Romania (13) are top three countries with the most number of projects in partnership with the Bulgarian organizations. The leading position of Czech Republic is interesting as well as the position of Croatia (4th place), which has the same number of projects in partnerships with Bulgarian organizations as Italy. The good results for cooperation with the old EU member states, as France and Italy are absolutely logical and could be explained with the good tradition and experience they have in the CCIs. On the other hand, the lack of Germany as partner countries in the first 10 places is curious especially having in mind that according to Eurostat data, 5,2% are the cultural enterprises as percentage of the total business economy in Germany [10].

Therefore the Bulgarian organizations have to straightening the relationship and collaboration with the other partner organizations from different eligible countries under Creative Europe Programme. Thus could be considered as a major challenge in front of the Bulgarian creative business in order to improve its international positions and to achieve synergy effects on the final products.

V. CONCLUSION

Bulgarian creative business does not reveal its full potential and capacity. To achieve this strategic goal, Bulgarian organizations have to develop more focusing the different partnerships and relations with foreign companies preferably – eligible under Creative Europe Programme. The field of creative business is the field of talent and creativity where the combined efforts of different organizations could lead to a competitive advantage in a global scale.

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