



United Nations  
Educational, Scientific and  
Cultural Organization

## Symposium



### ***Funding Culture: Managing the Risk***

UNESCO, Room XI  
16 and 17 April 2010

#### ***Provisional Programme***

##### ***Challenges and Context***

This symposium is part of a series of initiatives organized by UNESCO on the theme of “Culture and Development”. It follows the UNESCO World Forum on Culture and Cultural Industries (Monza, September 2009) and the symposium Culture and Development: a response to the challenges of the future? (Paris, October 2009). During the course of these debates, the idea of examining the perception of risks associated with investing in the culture and creative sectors emerged as an important new and innovative approach.

Through this symposium, UNESCO proposes to challenge the perception of risks, to identify the risk-management mechanisms and to develop new frameworks to encourage investments in the culture and creative sectors in developing countries. Representatives from development agencies (AFD, AECID), international and regional financial institutions (IDB, BNDES) and the European Commission have been invited to present their perspectives as specialists on these questions and to inform the debates.

The symposium’s thematic approach was developed taking into consideration the important challenges to be faced by the international community within the framework of the Millennium Development Goals (MDGs). The International Seminar on Culture and Development in Girona (May 2010), taking place under the Spanish Presidency of the EU and the UN Summit on the MDGs (New York, September 2010) offer two important opportunities to translate theory into political will and actions. This symposium aims, therefore, to contribute new perspectives to the debates and to take advantage of the global momentum around the cultural and development agenda.



Online discussion from 16 March to 6 April 2010  
[www.unesco.org/culture/en/funding-and-risks](http://www.unesco.org/culture/en/funding-and-risks)

### ***Creativity, culture and development***

The potential of the culture and creative sectors (crafts, design, music, performing arts, audiovisual, publishing, festivals, etc) has been recognized only recently by economists and development actors. The UNCTAD 2008 *Creative Economy Report* argued that these sectors "can foster income generation, job creation and export earnings while promoting social inclusion, cultural diversity and human development." On a strictly economic level, creative industries, which are at the heart of the culture sector, have become an important driver for global economic growth, representing 3.4 per cent of global GDP with an average annual growth of 8.7 per cent between 2000 and 2005. Their growth has been supported by the development of ICTs, technological convergence and the multiple synergies operating between creativity, cultural products and new media.

### ***Cultural sub-sectors in developing countries in need of funding***

The situation of the culture and creative sectors varies greatly country by country. In developing economies they face major challenges to thrive and to attract the interest of policy makers and investors. Indeed, despite the real benefits in terms of economic growth and poverty reduction, and the many conferences and public commitments on this issue, the culture sector is often neglected and marginalized by investors and the development community: in 2007, only 1.7 per cent of international development aid was allocated to culture (OECD). In this light, questioning the *status quo* of cultural funding in developing countries is a necessary step to move ahead.

### ***How risk perception curbs investments in the culture sector***

Whatever the expected outcomes, be it return on investment or positive impact on socio-economic development, the perception that investments in the culture and creative sectors are inherently risky often shapes decisions made by investors and development actors. Is this mistrust justified? To what extent does this perception reflect the reality of risks involved in funding/investing in the culture sector? What are the risk factors and their underlying causes? What role can international development cooperation schemes play in reducing these risks? What other mechanisms can be identified to manage risk and thus support the emergence of domestic and regional markets?

# Agenda

## Friday, 16 April

9.30 – 10.00 am Welcome - Coffee for participants

10.00 - 10.15 am Opening of the Symposium

- **Mrs Françoise Rivière**, Assistant Director-General for Culture, UNESCO

- **Mr Carlos Alberdi**, Director for Cultural Cooperation and Scientific Relations, Spanish Agency for International Development Cooperation (AECID)

10.15 am – 1.00 pm **Round Table I**  
**Risks in Funding Culture: Myth or Reality?**

The challenges of attracting funding for the culture and creative sectors are country specific. Developing countries are confronted with similar difficulties regarding their cultural sub-sectors (music, crafts, performing arts...), putting them at a strong comparative disadvantage in relation with affluent OECD creative economies. Underdeveloped domestic markets and lack of transparency and accountability may explain the difficulty culture sectors in developing economies have to attract funding. This is particularly true for small and medium cultural enterprises, which constitute the cornerstone of the sector. Does the perception of risk associated with investments in the culture sector reflect reality? What are the causes? Are there specific factors associated with developing countries that increase risks?

Moderator: **Mrs Françoise Rivière**, Assistant Director-General for Culture, UNESCO

Panel: - **Mr Jean-Michel Debrat**, Deputy Director-General, French Development Agency (AFD)

- **Mr Ganiou Soglo**, Minister for Culture, Literacy and the Promotion of National Mother Languages, Republic of Benin

- **Mr Jean-Claude Boidin**, Head of Unit for Human Development, Social Cohesion and Employment, Directorate General for Development, European Commission

- **Mr Francesco Lanzafame**, Institutional Capacity and Finance Sector, Inter-American Development Bank (IDB)

1.00 – 3.00 pm Lunch Break

3.00 - 5.45 pm **Round Table II**  
**Dealing with Risk: What Works**

In OECD economies, mechanisms for investing in the culture sector operate with relative success. Although less common in developing countries, certain mechanisms have been set up, such as the OIF/EBID Guarantee Fund for Cultural Industries. These mechanisms can take different forms, namely risk sharing, capacity-building programmes or aid development projects supporting cultural sub-sectors. What can be learnt from these different experiences?

What “works” and what needs to be improved? What are the main risk management mechanisms available today? What are the results? How can international development programmes play a role in reducing risk (MDG Achievement Fund)?

Moderator: **Mr Toussaint Tiendrebeogo**, International expert on cultural economy and development

Panel:

- **Mrs Luciane Gorgulho**, Chief of the Department of Culture, Entertainment and Tourism, Brazilian Development Bank (BNDES)
- **Prof Chengyu Xiong**, Director of the Center for New Media Studies and Research Center for Cultural Industry, Tsinghua University
- **Mr Christian Verbert**, European commissioner of the *Société de développement des entreprises culturelles* (SODEC), Québec, Canada
- **Mr Victor Lugger**, Internet Director of the French online record label My Major Company

### Saturday, 17 April

9.30 – 10.00 am Welcome – Coffee for participants

10 am - 12.30 pm

#### **Round Table III How to Encourage Investments in the Culture Sector?**

Supporting growth of the culture and creative sectors in developing countries requires reinforced cooperation between governments, the private sector, development agencies, development banks and financial institutions. What kind of partnerships and collaborations can encourage funding culture? How can the perceptions and management of risk involved in investing in culture as an economic sector of activity be improved? What support given to financial institutions can help ease the way for their investments in cultural sub-sectors in developing countries?

Moderator: **Mr Alain Godonou**, Director of the Division of Cultural Objects and Intangible Heritage, UNESCO

Panel:

- **Mrs Laura Faxas**, Ambassador Extraordinary and Plenipotentiary of the Dominican Republic in France
- **Mr Keith Khan**, Artist and former head of culture for the 2012 Summer Olympic Games
- **Mr Frédéric Bouilleux**, Director of French Language and Cultural and Linguistic Diversity, *Organisation Internationale de la Francophonie* (OIF)

12.30 – 1.00 pm Conclusions and closing session