

Call for Papers "Geopolitics & Values: what is the real power of the EU?"	
CORPORATE STIMULUS FOR EUROPEAN CROSS-BORDER CULTURAL INITIAT an integrated, intersectoral cultural approach to strengthen EU soft power	IVES
Author: Schuster BELL	4



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## **Executive Summary**

The EU is experiencing unprecedented times, its internal identity and global image challenged by the Covid-19 pandemic. An innovative cultural strategy should be designed to respond to this challenge. This paper suggests an integrated approach bringing together corporate cultural activities and EU cultural diplomacy strategies in public-private partnerships. By leveraging on the strategic power of the cultural and creative sector, it creates synergy between the economic and cultural powers of the EU. The paper makes direct policy recommendations on promoting transnational cultural cooperation through corporate support, its implacability demonstrated by case studies of corporate cultural activities by Banca Intesa SanPaolo and Deutsche Bank. The EU cultural programmes Creative Europe and the Cultural Relations Platform are the main areas of implementation. The central aim of this strategy is to spread awareness of EU cultural values, internally and externally, to ultimately build the EU's soft power.

## **Bio of the author** (maximum 500 characters spaces included)

Bella Schuster is a young researcher and recent graduate from the Master in Cultural Diplomacy at Università Cattolica. She was born in Amsterdam, the Netherlands, and currently makes her home in Rome. With a strong background in International Relations and European Studies, her main research interest lies at the intersection of policy analysis and cultural studies. Coming from a multi-cultural family herself, her research analyses the role of culture in international relations, to facilitate intercultural dialogue and promote mutual understanding.



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## **List of Abbreviations**

CE Creative Europe

CCD Corporate cultural diplomacy

CCS Cultural and creative sector

CD Cultural diplomacy

CRP Cultural Relations Platform

CSR Corporate social responsibility

EU European Union

PPP Public-private partnership

SRI Social responsibility investments



#### INTRODUCTION

In the last decades, the "Brussels effect" has become synonymous with the global influence of the European Union. Its regulatory power spreads through market forces, shaping the world in its image and exporting EU values (Bradford, 2019). The notion of the normative power of the EU is based on the conceptualization of its soft power, stemming from its institutional framework, internal market, foreign policy and cultural diversity (Piskorska, 2019). This paper seeks to understand how to strengthen the EU's global image, using cultural diplomacy as a tool to leverage EU's soft power resources.

Understood as a set of norms and values, culture is an important determinant of the attractiveness of the EU. It is parallel to the EU identity, as expressed in Article 2 of the Treaty of the European Union: to be "founded on the values of respect for human dignity, freedom, democracy, equality" (Consolidated version of the Treaty on the European Union, 2008). According to Paul Collier (2018), an economic identity can only thrive when rooted in a strong sense of internal identity. This applies particularly to the case of the EU. Hence, it has attributed itself the role of active identity builder, its motto "unity in diversity" substantiating greater internal cohesion and integration. Through cultural diplomacy the EU spreads awareness of its motto. The aim hereof is to fuel citizen awareness of common cultural values, recognizing and building upon the great diversity of languages, people, cultural and national identities of Europe (Wang, 2009). Similarly, the economic field has produced links of identification, in the internal market, common currency and the Schengen agreement. Both these elements add to the sense of European identity that is the central axis of the EU's internal and global image (Kouri, 2014).

However, in the last decade, various crises have tested the resilience of the integration process (Bongardt & Torres, 2020). In recent times, the initial lack of response from the EU in the first stages of the Covid-19 pandemic showed an inability to deliver at home, hampering its perceived ability to defend and enhance liberal values (Pirozzi, 2020). The pandemic has highlighted the old dichotomy between the national and European identity, creating adversity between unity and diversity (Caratelli, 2020). The EU is at a turning point, facing unprecedented challenges that have caused a loss of international attractiveness, threatening its cultural identity. In addition to the current focus on the Green Deal and the Next Generation Recovery Fund, the strategic power of the cultural and creative sector (CCS) should be placed at the heart of the EU policy agenda. Building resilience and communicating EU values will play an important role in countering the persistent existential identity crisis.

In this context the central aim of this paper is to propose an integrated cultural strategy to respond to this identity crisis. The strategy leverages the EU's cultural and creative sector and the economic power of European corporations. Firstly, the theoretical framework sets out the concept of soft power and its tools. Secondly, current EU cultural diplomacy strategies are considered in their effectiveness to promote transnational cooperation. Hereafter, two case studies of corporate cultural diplomacy initiatives explore the benefits of public-private partnerships and the possible application on Union level. Finally, an integrated strategy is proposed, combining EU cultural diplomacy with corporate cultural diplomacy. This is envisioned as an online platform where European transnational cultural initiatives are connected to corporate cultural investments, proposing a new symbiotic way of thinking about diplomatic soft power tools. The assumption is that this would lead to an increased synergy between the cultural and economic sectors of the EU, creating public-private partnerships to support the cultural sector and spread awareness of EU values. By streamlining this into the external relations of the EU, this approach would boost the external projection and recognition of European values, strengthening EU soft power.



#### 1. THEORETICAL FRAMEWORK

Cultural diplomacy literature and management literature on corporate diplomacy, particularly with reference to increasing soft power through promoting culture, ground this paper and provide the theoretical background to the research and policy recommendations that follow.

## 1.1 Soft power tools: Cultural Diplomacy

Joseph Nye coined the term "soft power", meaning the power of attraction to achieve foreign policy objectives through attractiveness rather than through economic or military means. This capacity results from intangible resources such as culture: values and ideas (Nye, 2017). A cultural identity, existing of norms and values, can be a large source and instrument of soft power. When recognized by external audiences and entities, these are more likely to respond positively to the country. Therefore, norm diffusion and identity management through diplomatic activities function as important tools to build soft power.

Taking into account the constructivist perspective of identity, constructed through social processes and structural dynamics, the national identity and its image abroad are mutually constitutive. Through this identity-image loop, strengthening an internal sense of identity can lead to stronger projection externally, and vice-versa (David Cross & Melissen, 2013). Public diplomacy seeks to mediate the dialectics of the social construction and promotion of an identity, occurring at the nexus of the domestic and international level. Twenty-first century conceptualizations of public diplomacy take into consideration the involvement of both state and non-state actors in diplomatic activities, through cultural and corporate diplomacy (Topić & Sciortino, 2012). As a more long-term and dialogic subset of public diplomacy, cultural diplomacy aims to employ culture and the arts to exchange ideas and foster mutual understanding between nations. Promoting and exhibiting culture functions to create or strengthen the brand of the nation, essentially aiming to increase the international power of attraction (Berridge & James, 2003; Gienow-Hecht & Donfried, 2010; Hocking, Melissen, Riordan, & Sharp, 2012).

Different national contexts allow and ask for different forms of cultural diplomacy. In the case of the European Union this entails adopting a new understanding of mutual diplomatic engagement among EU member states. Considering the constructivist perspective, promoting transnational culture is necessary to go beyond traditional foreign policy objectives; employing the cultural and creative sector to share EU values and strengthen the internal sense of shared identity, in order to project a strong and cohesive image outward.

## 1.2 Corporate diplomacy for cultural initiatives

The current landscape of the diplomatic environment includes a large range of actors and institutions. In this increasingly complex playing field, a result of the globalisation of economies, international corporations have an increased power (Egea, Parra-Meroño, & Wandosell, 2020). This is parallel to the perceived shift from state to corporate power, observed in their influence on regional regulatory frameworks. This influence reaches even further; influencing public opinion to create favourable business environments (Bier & White, 2020). This political and public influence is joined by an increased responsibility in and for the society, often regulated through corporate social responsibility (CSR) activities. There is a potentially more proactive role for corporations in societal engagement on the diplomatic level (Frig & Sorsa, 2018). With large companies already functioning as both objects and subjects of nation branding and public diplomacy, Bolewski (2019) describes the concept of diplomatic engagement of transnational corporations, as a huge untapped diplomatic resource. Particularly for activities associated with CSR and socially responsible investments (SRI), this offers the opportunity for corporations to



manage and enhance their company reputation. This is an incentive for corporations to create public-private relationships (PPP) with public entities and to engage in diplomatic activities beyond their own sector.

This applies specifically to cultural diplomacy activities, which are often government-led but corporate-sponsored. The concept of corporate cultural diplomacy (CCD) recognizes that private corporations can use their resources to promote understanding of national values, supporting cultural initiatives to manage their societal reputation (Westermann-Behaylo, Rehbein, & Fort, 2015). Engagement in cultural diplomacy complements well-established corporate practices of CSR and SRI, by contributing to a positive corporate brand image and awareness, business performance, and as a way of developing strategic partnerships (Institute for Cultural Diplomacy, 2011).

This research bases its understanding of cultural diplomacy on the concept of culture as a soft power resource. In this context, creating a transnational cultural strategy based on smart complementarity in public-private relationships, leverages the creative and cultural sector to advance the spread of EU values.

#### 2. CURRENT POLICY CONTEXT

## 2.1 Cultural Diplomacy on an EU level

The European Union has defined its cultural diversity as an important part of its identity, embodied in its motto. The EU is committed to promoting its diversity of cultures, both internally and externally, through cultural policy and cultural diplomacy (De Vries, 2019).

Promoting culture has become an integral part of EU policy making, part of the 2007 and 2018 renewed Agenda for Culture, and the 2016 "EU strategy for international cultural relations". To connect and support the cultural and creative sector in Europe, the Commission has set up the Creative Europe (CE) project, as the sector is a strategic asset for the EU. The external dimension is covered under the Cultural Relations Platform (CRP), supporting cooperation between European and global cultural and creative sectors (European Commission, 2020b).

## Strategic value of the Cultural and Creative Sector in 2019

4.4% 12 million €509 billion

of the EU's GDP

full-time jobs

in value added to the GDP

(Source: KEA, 2019)

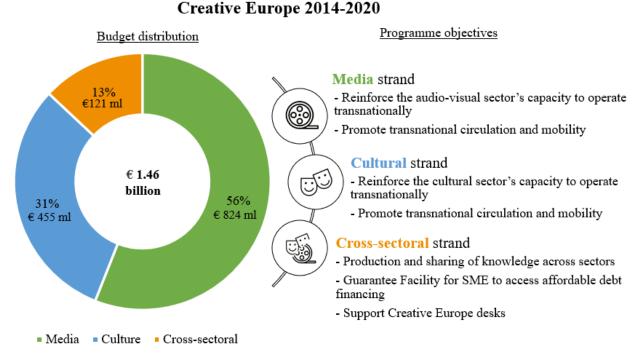
This chapter analyses current EU cultural policy: Creative Europe the Cultural Relations Platform, part of the cultural diplomacy strategy. A secondary purpose is to identify opportunities to enhance transnational cultural cooperation, to promote the spread of EU values both internally and externally.



## 2.2 Creative Europe

The Creative Europe platform was founded in 2013 under Regulation (EU) No 1295/2013 and runs from 2014 to 2020. Its main aim is to support the capacity of the European cultural and creative sector to operate transnationally, promoting transnational circulation of cultural works (EACEA, 2020).

It incorporates three sector-oriented strands: Culture, Media and a Cross-sectoral strand:



The new cycle, running from 2021 to 2027, has been under discussion in terms of budget and scope. In July 2020 the Commission reported to stick to the funding level proposed in 2018: 1.642 billion for the 7 years. The Parliament, CULT Committee and various stakeholders have criticized the budget proposal, calling upon the Commission and member states to dedicate 2% of the Recovery and Resilience Facility to the cultural sector, and to increase the Creative Europe budget to 2.8 billion under the next Multiannual Framework (European Parliament, 2020).

#### **Impact assessment**

Creative Europe brings an important contribution to the cultural and creative sector through capacity building, helping the sector reach its growth potential. The Programme offers support in accessing international markets, increasing European transnational cultural exchanges and raising awareness for its cultural projects. The Creative Europe Prizes, particularly the European Capitals of Culture and European Heritage Labels increase international awareness of Europe's culture and cultural heritage.

However, the platform increasingly focuses on national cultural initiatives and enabling transnational circulation, instead of facilitating cross-border cooperation. Within the Cultural strand, the European Cooperation Project aims at offering support to cross-border cooperation in circulation of works and mobility of professionals (KEA, 2018). In addition, the Creative Europe Desks provide information and assists the national CCS in relation to the programme. Furthermore, the programme includes the objective of promoting cooperation between the European CCS and



neighbouring and partner countries. Although some desks support trans- and international cooperation, Creative Europe does not offer any specific help. On both issues the programme and the desks could play a larger role bringing professionals in contact with each other on a European level, and beyond. This would help to take advantage of the large cultural diversity, supporting transnational projects that demonstrate European values and create European added value. The dedicated social media channels should aim at communicating this to the larger public. Here lies another point for improvement, as limited reach undermines possible impact.

Another point is the lack of sufficient financial instruments. Shown by the high numbers of applications and low success rate, the programme was not equipped to answer to this demand. Cofunding is currently not sufficiently incentivized, losing important opportunities for projects to attract private funding. In addition, the Covid-19 pandemic has a large impact on the CCS, affecting the whole value chain and creating considerable turnover losses. Though the Commission has set up additional support, increased efforts should be undertaken to support the sector financially (KEA, 2020).

#### 2.2 Cultural Relations Platform

The Cultural Relations Platform launched in April 2020, based on its predecessor, the Cultural Diplomacy Platform. The programme has a triple aim:

Objectives	Activities
Provide policy support on international cultural relations	Research and policy support: organising local meetings, conferences and workshops
Support cooperation among cultural and creative sectors	Facilitating contacts and networking of different EU and third country cultural actors (including cultural institutions, private foundations, civil society, and other organisations)
Strengthen communities and networks of cultural practitioners	Trainings, events, matchmaking: developing training programmes for cultural managers in leadership

Examples of previous projects include: support to local projects in Tunisia, professionalisation of the Congolese cultural sectors and using the cultural sector in Morocco to prevent radicalism through capacity building activities for young people ("Cultural Relations Platform", 2020).

In light of the Covid-19 pandemic, the platform is in the process of assessing the impact on culture in external EU relations. The research aims to consider how international cultural relations is affected by the pandemic and to offer suggestions on how cultural relations strategies can mitigate the effects.

#### **Impact assessment**

In line with its cultural diplomacy aims, in the Platform, the EU has given priority to facilitating sustainable cultural exchanges, people-to-people activities and co-creation processes between Europeans and citizens from countries all over the world. The geographical focus lies on supporting cooperation between the European CCS and countries included in the European Neighbourhood Policy, the Engagement policy and Development Cooperation. The programme is closely connected to the external aims of the EU in using cultural engagement to communicate



European core values to an international audience. Both the means and goal are the promotion of these values, increasing awareness of the European CCS among third actors, aiming to build bridges among societies through cultural exchanges. Here, it tries to go beyond traditional conceptions of state-centred efforts of nation branding and aims at promoting EU culture to third parties, based on mutual understanding and intercultural dialogue (KEA, 2019).

However, there is little convergence between the internal and external cultural policy. Both Creative Europe and the Platform have the same aim: promoting EU values and empowering the cultural sector. Creative Europe Desks are established in several candidate countries (Serbia, North Macedonia, Bosnia and Herzegovina, Montenegro, Moldova, and Albania), but only in five Neighbourhood countries (Tunisia, Ukraine, Kosovo, Georgia, Armenia) (EACEA, 2020). Here lies an opportunity to create more synergy between both programmes.

Considering its social media presence, the platform communicates well on various channels. It highlights the importance of culture in international relations by publishing creative opportunities for cultural professionals in partner countries and by sharing related cultural activities. On social media the platform accomplishes what it does not on its website: connect with its target audience and provide viable information. However, due to its small following, its impact is minimal.

## 3. CORPORATE CULTURAL DIPLOMACY INITIATIVES

In the global transition towards more responsible business practices, corporate social responsibility has been integrated in many business strategies. corporate cultural diplomacy is a form hereof that specifically provides support to the cultural sector through investments or direct actions. It can complement corporate performance with a double objective: to manage the company's reputation and to secure a stable environment for future markets (Bolewski, 2019). From a supranational level the EU supports sustainable business performance by providing a mix of voluntary and mandatory actions including the EU strategy for CSR of 2011, in line with the UN Guiding Principles on Business and Human Rights (UNGPs). The 2016 and 2019 Commission Communications on European actions for sustainability, reiterated its dedication to support and incentivize CSR to meet social, environmental and governance challenges (European Commission, 2020a).

This chapter analyses the impact and benefits of corporate cultural diplomacy initiatives, demonstrated by two national case studies of companies with a strong reputation for corporate cultural diplomacy: Banca Intesa SanPaolo and Deutsche Bank. Secondly, it aims to understand the benefit of public-private partnerships at an EU level to spread awareness of EU values.

#### 3.1 Case studies

a. Banca Intesa SanPaolo: The Culture Project<sup>1</sup>

Intensa SanPaolo is an Italian banking group, with its international presence focussed on Central-Eastern Europe, the Middle East and North Africa (Intesa SanPaolo, 2020). The Bank is a market leader with a current market capitalization of 29.41 billion euro. The bank's organisational model is focused around Impact Banking, emphasizing social and cultural responsibility. In addition to its support to commercial cultural initiatives, the bank has developed an innovative strategy to manage its artistic-cultural heritage. Both have been streamlined into its 2018-2021 business plan

<sup>&</sup>lt;sup>1</sup> Intesa SanPaolo, 2020. The case study of The Culture Project is based on the report provided to the Master in Cultural Diplomacy, ALMED, Università Cattolica. Citation has been approved by Intesa SanPaolo.



and the Consolidated non-financial Statements, reiterating their dedication to promoting art and culture (Intesa SanPaolo, 2019).

Under the Culture Project the bank promotes artistic cultural heritage, transforming its corporate art into a strategic resource. The project consists of three sub-initiatives:

- *Restitutionzi* is a private programme, created in 1989, financing the restoration of works of public artistic heritage. The project extends the geographical territory of Italy, as well as the bank's international operational territories. The chosen works are those that hold significance for the community identity. The process of restoration itself involves a large range of stakeholders, ranging from institutions to the community.
- The *Gallerie d'Italia* are historical buildings belonging to the Bank that have been transformed into exhibition sites to display the Bank's corporate art collections. With four locations spread through Italy: Milan, Naples, Vicenza and Turin, the museums host exhibitions in partnerships with both Italian and foreign cultural institutions, schools and the municipalities.
- The Historical Archive dates back to 1970 and manages and digitalizes the archival heritage of the Bank. The Archive offers on-site consultation and an online inventory system to allow public access.

The Art, Culture and Heritage Head Office Department, created in 2015, oversees the operational management of the Culture Project. The Project aims to go beyond corporate social participation by incorporating the cultural strategy into its organisational model and corporate policies. It is closely linked to its external communication and the bank's perceived image.

## b. Deutsche Bank: ArtWorks

Deutsche Bank is a German banking group with a 16.24 billion market capitalization and operates as a corporate bank, investment bank, private bank and asset manager (Deutsche Bank, 2020). As a bank with European roots and a global network, it places a large focus on responsible business through its CSR initiatives. The cultural sector is one of its main SRI areas, because "promoting art, culture and sports means helping shape society" (Deutsche Bank, 2020). The Art, Culture and Sports division identifies the core actions and devises programmes that benefit public and company.

Its activities are headed by the ArtWorks global programme, including several initiatives:

- The *PalaisPopulaire*, an exhibition space in Berlin.
- Its Corporate Art collection, displayed at its international offices and in various museums
- The online Art Magazine
- The "Artist of the Year" Award
- A partnership with the Berlin Philharmonic Orchestra

The bank focuses on contemporary art in the Art Programme, aiming to acquaint a wide public with its corporate art. Young talent is promoted and supported through the award and through educational programmes at the *PalaisPopulaire* and with the Philharmonic Orchestra. These elements are in accordance with the mission of the bank: investing in the future of society through sustainable investments in culture and focussing on forming long-term partnerships with international cultural institutes.



## 3.2 Key findings

The case studies are examples of public-private partnerships between corporate entities, public cultural institutes and the public itself. The Culture Project of Intesa SanPaolo strengthens the company's links with the territory in raising awareness of cultural and artistic heritage. By interacting with various stakeholders, *Restituzioni* promotes the cultural life of the cities. On the other hand, the Deutsche Bank ArtWork Programme uses culture to form international partnerships and invest in a generation of young cultural talent. Both banks have set up dedicated cultural departments to help overcome the persistent problem of investor readiness in the CCS, offering specific and targeted guidance.

In times of growing social awareness, corporations that are culturally sensitive enjoy a more positive public opinion. CCD initiatives create benefits for both the company and the public: it can manage the company's perceived identity and create brand awareness. Additional benefits include strengthening its CSR reputation, opening up new investment opportunities, meeting new audiences and gaining trust by creating stronger ties with its customers and stakeholders. For the public it creates both social and economic benefits: investing in culture to stimulate community participation and to support cultural exchange. It also helps to promote international visibility and generate additional sustainable investments for the cultural sector. Indirectly, the corporate support also conveys common values and leads to a stronger sense of cultural identity for the community, leveraging culture as a binding agent.

There is an important relationship between CCD and CD: public-private partnerships can function as a key facilitator of cultural diplomacy. Increasing both corporate social accountability and responsibility, these initiatives help to build trust between the public and the company. By generating private funding for culture, it can help promote soft power resources of cities, countries and communities, communicating shared values of the company and the public entity. On a transnational level, corporations can engage in PPPs with international institutes to enhance their international presence and engage with international audiences. In a European context this means complementing business sponsorship in culture with active corporate participation in EU cultural programmes. Such initiatives would promote using cultural tools to overcome boundaries such as national identities and cultural differences, creating greater social cohesion (Bolewski, 2019).

## 4. CONCLUSION AND RECOMMENDATIONS

This section introduces the policy recommendations, divided in a general strategy and corresponding actions. The strategy is based on the points for improvement identified in the analysis of Creative Europe and the Cultural Relations Platform, applying the key finding of the case studies on corporate cultural diplomacy.

#### 4.1 Strategy

The strategy suggests creating public-private partnerships, promoting corporate support for EU transnational cultural initiatives. Leveraging on the strategic importance of the cultural and creative sector, this integrative approach bears the promise of spreading EU values and disseminating these through international cultural relations. It proposes a new symbiotic way of thinking about soft power tools with an emphasis on smart complementarity to increase synergy between the economic and cultural sector.

In this context the recommendations in this paper are made with a view to increase EU soft power, incorporating three interconnected pillars:



**Pillar** (1) "Strengthening transnational cooperation in the European cultural and creative sectors" aims to create a stronger role for the Creative Europe programme in bringing cultural professionals from all European countries in contact with each other, prioritizing cultural projects that transcend borders and create a clear European added value.

**Pillar (2)** "Creating public-private partnerships with corporate entities investing in culture" forms the core of the strategy. The development of innovative partnerships to fund cultural projects increases efficiency in allocating private funds for public goods. By directing corporate CSR activities towards cultural support, it builds the competitiveness of the sector to play a global role.

**Pillar (3)** deals with "increasing cultural cooperation with third actors", promoting the European cultural and creative sector internationally. Moving from showcasing cultural achievements to presenting culture as a tool to support intercultural dialogue and cooperation, the cultural diplomacy imitative spreads awareness of EU values globally.

#### 4.2 Recommendations

With the three pillars in mind, the following actions are proposed:

## 1: Increase Creative Europe focus on transnational cultural cooperation

- a. Increase the budget to 2.8 billion euro for the period 2021-2027, in line with the call from the CULT Committee.
- b. Harmonize the level of support between Creative Europe desks: cooperate more closely to create a distinct role in supporting cross-border cooperation in the cultural sector. A matchmaking scheme should be set up to facilitate this.
- c. On a policy level, the European Cooperation Project (cultural strand) should strengthen the programme framework for transnational operative projects, giving priority to cultural diversity.
- d. In addition to (c), the Cooperation Project should incentivize cultural professionals to seek transnational partners. Co-funding prioritization and other extra support measures should be considered.
- e. Refresh the online presence of Creative Europe, designing a social media strategy to increase community engagement, reach a wider audience and increase visibility.

## 2: Increase incentives for co-funding from private entities

- a. Provide more incentives by Creative Europe for co-funding options, specifically for transnational projects. As a vital part of developing a new business model for the cultural and creative sector, additional private funding helps improve the sector's continued development and competitiveness.
- b. Set up an online platform within Creative Europe, with a database of all transnational projects that seek co-funding options. A single information point will help corporations identify the right investment opportunities matching their in-house expertise. Projects applications should indicate how the project demonstrates a shared narrative on EU values and creates European added value to reinforce societal cohesion.
- c. Create a parallel database of European corporate cultural initiatives, to ensure synergy between the existing activities and potential partnerships on the European level.
- d. Construct an incentive-based model on the EU level for corporations that invest in the arts, considering financial incentives such as tax breaks.



- e. More specifically, the aforementioned incentives-based model should focus on Creative Europe prizes, mainly for cities and cultural heritage. This allows corporations to strengthen their links to geographical territories and expand into new ones.
- f. Create a co-funding logo to provide incentives for corporations in the form of direct, visual recognition, and to increase international visibility for CE co-funding projects.

## 3: Increase visibility among and cooperation with third actors

- a. Open Creative Europe further for cooperation with neighbourhood and partner countries to promote international cooperation with third actors, increasing synergy between Creative Europe and the Cultural Relations Platform. This entails setting up co-joint projects with international cultural professionals and increasing international circulation of works to strengthen the EU's role as a global content provider.
- b. Similar to the internal strategy mentioned in 1(b), Creative Europe desks should be set up in interested partner countries to incentivize participation in the matchmaking scheme, facilitating greater cooperation and promoting mobility of cultural professionals.
- c. Create a CE label also for non-granted projects to help raise funding in third countries that are keen to be associated with the EU programme.
- d. Beyond direct participation of third actors in the programme, the Cultural Relations Platform should also facilitate networking sessions with partner countries to disseminate best practices of the European CCS at the local and regional level.
- e. Similar to 1(d) the social media presence CRP should be increased by setting up an Instagram channel and increasing its reach on all social media platforms. The social media channels of both cultural programmes should cross-reference to increase synergy and reach a wider audience.

## 4.3 Final reflections

This paper affirms that culture has a fundamental role to play in promoting European values and increasing its soft power. It stresses the key role of public-private partnerships, proposing an integrated approach that creates corporate stimulus for transnational cultural initiatives. This transversal approach to cultural diplomacy creates benefits for all stakeholders involved, corporations and the public. On an EU level it legitimizes its role as active identity builder by creating synergy across its policy areas to promote its cultural sector, rendering the EU an attractive, distinctive entity.

In implementing this strategy, several points present the need for further research: the central challenge to this strategy is strengthening the link between the private and public sector. The EU supports public-private partnerships in the realm of energy, green jobs and infrastructure, but not the cultural and creative sector. Research should look at national examples on incentivizing cultural PPPs, seeking ways to implement this on an EU policy level. Background research in setting up the strategy should include a larger field research on European corporate cultural diplomacy initiatives, creating a typology of activities. Further research should be taken up by the CULT Committee of the Parliament, in cooperation with Creative Europe and the Cultural Relations Platform.



## ANNEX I: The Cultural and Creative Sector: a typology

## **Cultural and Creative Sector**

All cultural and creative sectors whose activities are based on cultural values and/or artistic and other creative expressions

	Sub-sectors	Description
"Those activities, whether ending in themselves or contributing to the production of cultural goods and services, which embody or convey cultural expressions, irrespective of the commercial value they may have" (UNESCO)  Cultural values / artistic expression  Creative sector  "Those industries that use culture as an input and have a cultural dimension, although their outputs are mainly functional (EC 183/2010)	Heritage, Archives and Libraries	<ul> <li>Library and archives activities</li> <li>Museums activities</li> <li>Operation of historical sites and buildings</li> </ul>
	Books and Press	<ul> <li>Books', newspapers' and journals' publishing activities and retail sales in specialised stores</li> </ul>
	Visual arts	<ul><li>Artistic creation</li><li>Photographic activities</li><li>Specialised design activities</li></ul>
	Audio-Visual and Multimedia	<ul> <li>Production, recording and distribution of motion picture, video and music</li> <li>Radio and TV broadcasting</li> <li>Publishing of computer/video games</li> </ul>
	Performing arts	Operation of arts facilities     Performing arts and its support activities
	Architecture	Architectural activities (advisory, technical consultancy, design and planning)
	Education & Memberships	<ul> <li>Tertiary education</li> <li>Cultural education</li> <li>Activities of professional membership organisations</li> <li>Activities of other membership organisations</li> </ul>
	Other cultural and creative sectors activities	<ul> <li>Wholesale of musical instruments</li> <li>Retail activities of auctioning houses</li> <li>Renting of jewellery, musical instruments, scenery and costumes</li> <li>Repair of books, musical instruments</li> </ul>

Created by Author (Source: KEA, 2018)



# **ANNEX II: Visual Oversight Recommendations**

PILLAR	ACTIONS	RATIONALE
	• Increase budget CE Increase financial instrument allowing to build scale	
Strengthen transnational cooperation in European cultural and creative sector	<ul> <li>Harmonize level of support between CE desks</li> <li>Set up a transnational matchmaking-scheme</li> <li>Strengthen CE European Cooperation Project strand</li> <li>Incentivize transnational cooperation</li> </ul>	Facilitate transnational cooperation to promote cultural diversity and pan-European narrative
	Social media strategy CE	Spread awareness of CE
2. Create public-private partnerships with corporate entities investing in culture	<ul><li>Incorporate co-funding into CE</li><li>Database for CCD PPPs</li></ul>	Build a new business-model for the CCS, ensure synergy between the economic and cultural sector.
	Parallel database CCD	Create oversight current CCD initiatives
	<ul><li>Incentive-based model for corporate investment</li><li>Focus on EU prizes</li></ul>	Promote corporate corporation in EU cultural diplomacy policy
	Co-funding logo	Visual recognition
	<ul> <li>Increase synergy CE and CRP</li> </ul>	
3. Increase cultural	<ul> <li>Incorporate international cultural professionals into matchmaking- scheme</li> </ul>	Promote CCS internationally and facilitate international cultural cooperation
cooperation with partner countries	CE affiliated project label	
	CRP networking sessions	
	Social media strategy     CRP	Spread awareness CRP and CCS internationally

Created by Author, based on this paper



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