

Cultural exportation is visible, leads to renewal and has an impact

Final report for the Cultural Export Promotion Programme 2007–2011

Publications of the Ministry of Education and Culture 2011:31

Preparatory committee for cultural exportation

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Opetus- ja kulttuuriministeriö

Undervisnings- och kulturministeriet

Ministry of Education and Culture

Ministère de l'Éducation et de la culture

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Introduction

The Finnish Cultural Export Promotion Programme 2007–2011 was drawn up in cooperation by ministries and cultural players participating in the preparatory committee for cultural exportation during 2006 and 2007. The Committee's report, *Powering up Finnish Cultural Exports*, was handed over to the Minister of Culture, Minister of Trade and Industry, Minister for Foreign Trade and Development and Minister for Foreign Affairs on 1 March 2007. Following the preparations, the Government Programme of Matti Vanhanen's second cabinet came to state that the creative economy would be strengthened and the economic significance of culture increased by promoting cultural exports and entrepreneurial activity.

On 5 September 2007, the Ministry of Education appointed a steering committee and a preparatory committee for the purpose of implementing the Cultural Export Promotion Programme. The steering committee was chaired by Minister of Culture and Sport Stefan Wallin, and its members included Ministers Mauri Pekkarinen, Ilkka Kanerva (as of 2008, Alexander Stubb), Paavo Väyrynen and Tuija Brax, as well as State Secretary Velipekka Nummikoski. The preparatory committee was chaired by theatre director Johan Storgård, and its members included government officials from the Ministry of Education and Culture, the Ministry of Employment and the Economy and the Ministry for Foreign Affairs, as well as representatives of industry organisations and businesses in the cultural sector.

The programme's general goal was to recognise cultural and creative industries as genuine fields of export and making their export status equal to that of other export industries. In line with the Government Programme, another goal was to increase the contribution of culture to the national economy, that is, to boost employment, value added, output and export revenues.

Work was based on the fact that a) Finland produces a great deal of high-quality and unique cultural offerings, b) there is little room for any considerable growth in domestic consumption of culture and c) the international markets for culture have grown rapidly.

The Cultural Export Promotion Programme and its measures complemented other actions taken in the fields of culture, business and foreign policy. Moreover, the programme resulted in the first systematic and inter-ministerial framework for the promotion of cultural exports. As expressed in the *Powering up Finnish Cultural Exports* report: "Cultural exportation will primarily have recourse to the existing structures and forms of support, which requires a major change in the ways of thinking and action both in the cultural industries and amongst export promoters".


The purpose was not to use the export promotion programme to support the foundation of creativity, production or the basic cultural infrastructure – for which dedicated support systems already exist – but expressly to support the stage at which a cultural product or service comes into contact with audiences. What this means from the perspective of cultural policy is that the objective was to strengthen the economy of culture and to improve the opportunities of art and culture professionals to gain international benefit from their products.

As for industrial policy, the objective was to bring cultural and creative industries more extensively under the scope of industrial policy measures and to use the potential of the creative economy to diversify the country's business and export structure. From the perspective of foreign policy, especially public diplomacy, the goal was to make culture a more integral part of the development of the Finnish country brand.

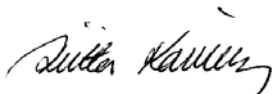
This final report focuses on making a general assessment of the measures and results of the export promotion programme and proposing an outline for the promotion of cultural exports during the next Government's term of office. The final report also includes descriptions of activities carried out in 2010. Separate cultural exportation reports about programme implementation were drawn up in 2007–2009. The reports contain detailed descriptions of various measures and projects carried out within the programme framework.

At the conclusion of the Finnish Cultural Export Promotion Programme 2007–2011, the preparatory committee for cultural exportation will hand in its report to the Ministry of Education and Culture.

Helsinki, 15 March 2011



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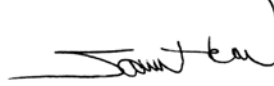
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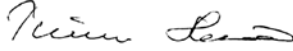
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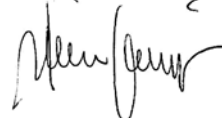
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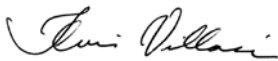
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Contents

Assessment of the implementation and results of the Finnish cultural export promotion programme 2007–2011	5
Attainment of the vision presented in the Powering up Finnish Cultural Exports report	8
Culture and change in the economic structure	9
Cultural exportation and the cultural ecosystem	9
Measures for the promotion of cultural exportation	10
Cooperation between ministries	11
Characteristics of the cultural and creative industries	11
Conclusions	13
Cultural Export Promotion Programme: implementation, structure and communication	14
Cultural Export Promotion Programme measures_ implemented in the programme period	16
Programmes	16
Project funding	20
Export networks	23
Joint projects and educational means	26
Industry-specific surveys and statistics	29
Development of a support network for cultural exportation	32
Support system for promoting art and culture	34
Proposal for a cultural exportation promotion policy in the Government term of office 2011–2015	38
Tavoite	38
Measures	40
Structure	41

Assessment of the implementation and results of the Finnish cultural export promotion programme 2007–2011

Though cultural exportation is not a new concept, the first time that strategic objectives and the measures for achieving them were defined was within the framework of the Cultural Export Promotion Programme. The programme launched a much needed and extensive discussion about the significance of exportation in different fields of art and culture. It also led to a mainstreaming of exportation and internationalisation: exports are now a natural part of the everyday routines of more and more companies and players in the culture sector, and the fostering of conditions necessary for exports is an essential element of cultural, business and foreign policies.

Programme implementation has been a major learning experience for the ministries participating in it, as well as for industry organisations, companies and groups in the art and culture sector. It can, with good reason, be called a pilot project in the development of systematic cultural exportation. The experiences gained during implementation, combined with a stronger knowledge base, have enhanced our understanding of the importance, needs and special features of business and exports in the creative economy and cultural industries.

No indication of any fundamental defects or weaknesses in the development objectives, targets or measures of the Cultural Export Promotion Programme was found during implementation. The main objectives and policies have not become outdated over

time. On the contrary, they are even more relevant now than four years ago¹. Hence, the export promotion programme and the experiences gained from its implementation (see below) form a natural foundation for continued development of cultural exportation during the new Government's term of office.

Attainment of the vision presented in the Powering up Finnish Cultural Exports report

The vision of the Cultural Export Promotion Programme – to make cultural exports into a recognised part of Finnish export activities, as well as culture into a stronger element of Finland's country brand – have materialised at least satisfactorily, if not even better. Cultural exportation has become more streamlined and a natural part of the business of more and more companies in the sector. It has, for example, been defined as one of the national programme measures of the Europe 2020 strategy. The development of public diplomacy has given culture a clearer and stronger role than four years ago.

However, the ambitious goal of tripling the value of exports has not been achieved. Even though the relative contribution of culture to the national economy has not increased, the sector has grown in absolute terms. Among other things, around 9,200 new jobs

were created in the cultural industries from 2004 to 2008, the value added exceeded EUR 5 billion for the first time in 2008 (besting, for example, the value added in paper and pulp processing) and private consumption of culture exceeded EUR 6.6 billion the same year².

Culture and change in the economic structure

Statistics depicting the importance of culture to the national economy show that a change in the economic structure is also underway in Finland, leading to services, and immaterial production and consumption in general, contributing more and more to the national economy. However, this change is progressing slower in Finland than in many competitor countries. Testifying to this is the major role still played by traditional industry and the fact that services account for a share smaller than that of many other EU member states, especially in terms of export. According to Statistics Finland, services account for over 65% of the Finnish GDP, but their share of exports is only around 5%, which equals 15% of the value of goods exports. This needs to be taken into account when assessing the increase in the value of cultural exports.

That is to say, the consumption of culture, as well as other services, still takes place mainly in the domestic market. In 2008, culture consumption accounted for nearly 7% of overall private consumption.

Culture's large share of consumption, and especially of private consumption, shows that the Finnish culture market is big in relation to the population and that the general conditions for the production and provision of culture are reasonable, at the very least.

Cultural exportation and the cultural ecosystem

A well-functioning cultural ecosystem (from basic arts education to university education and from a robust infrastructure to wide-ranging industry and consumption) is an important competitive advantage for Finland in terms of cultural exports. This does not mean that there would not be room for improvement in the cultural ecosystem and the policy measures targeting it. Cultural policy has answered the challenges and opportunities presented by the culture sector with measures that have been created at different times and are based on their own starting points and objectives. This has led to a diverse range of cultural policy measures. Similarly, increasingly targeted tools have been created for the promotion of industrial policy goals, resulting in an extremely fragmented business development system that is difficult to utilise.

In recent years, many governmental and ministerial reports have emphasised the need for a more comprehensive approach (cf. Cultural policy strategy 2020, Government report on the future of culture and Development strategy for the creative economy). The basic notion of the Cultural Export Promotion Programme – that the creation of export products and services requires the foundation of culture to function well – is also an indication of efforts to adopt a comprehensive approach. Since export products do not come into being from nothing, cultural exportation cannot be increased solely through export promotion measures. However, a lack of exports and enriching internationalisation experiences would make the Finnish cultural ecosystem inadequate and rob it of the element needed to realise its potential. Dozens of entrepreneurs and players in the sector have pointed out that

¹ According to the Creative Economy Report 2010 published by UNCTAD (The United Nations Conference on Trade and Development), the value of creative goods and service exports rose to \$592 billion in 2008, representing a nearly 11% increase from 2007, despite global trade declining 12% in the same period. ² Culture Satellite Account, Statistics Finland 2010.

the domestic market, despite functioning well, does not enable profitable production. Instead, growth and profitability must be sought from exports.

In other words, cultural exportation is not independent of the general goals of cultural and industrial policy. Its development also depends on other cultural and industrial policy measures and their impact on the cultural ecosystem. If developed widely enough, cultural exportation will enable further diversification of the export structure, an increase in the productivity of public investments in the cultural infrastructure, as well as an increase in the income of culture professionals, which is particularly important at a time when general government finances are growing tighter.

Measures for the promotion of cultural exportation

The main observation about the actual development measures outlined in the Cultural Export Promotion Programme is that the packaging, marketing and branding needs of companies and players have greatly exceeded the resources reserved for programme implementation. The measures of the promotion programme seem to have revealed companies' and other culture professionals' needs for export promotion, which have been largely hidden in the past. The general sentiment in the industries is that the production of goods is not a problem, but that there are not enough resources for efficient marketing, which is a prerequisite for product utilisation.

Even though the Ministry of Education and Culture has adopted new measures based on the proposals of the preparatory committee, and the Ministry of Employment and the Economy as well as the Ministry for Foreign Affairs have taken the development of cultural exports increasingly and more systematically into consideration, the government's "toolkit" is still inadequate and does not provide the best possible match to

the needs of companies in the sector. Deficiencies are found especially in the support, product development and growth financing concerning new companies or companies initiating export activities. Discretionary government subsidies are the main support instrument. There are practically no loan and capitalisation instruments that would meet companies' needs. Though there is an obvious need for aid, subsidies are not – and should not be – the main support form for companies that already engage in export.

The Finnish system for business services offers versatile financing instruments, but entrepreneurs in cultural industries often find it to be too strenuous to apply for them. The instruments do not answer the needs of companies, and the business service experts are not sufficiently familiar with the earnings logic of cultural industries. The system has been built on the terms of traditional industry and to serve it. In fact, the preparatory committee for cultural exportation pinpointed modifications to the service system as the single most important objective. The basic goal of cultural exportation – making the export status of cultural industries equal to that of other export industries – cannot be achieved without changes being made to the system for business services.

Based on the preparations that the Ministry of Employment and the Economy carried out within the framework of the LUOTU ("Creative future") project and the Development strategy for the creative economy, the preparatory committee for cultural exportation proposed in 2008 that a development actor be established to foster the creative economy in Finland.

Minister of Labour Anni Sinnemäki assigned a rapporteur to perform an analysis and propose measures concerning the matter. Based on the results, Anni Sinnemäki, Labour Minister; Mauri Pekkarinen, Minister of Economic Affairs; and Stefan Wallin, Minister of Culture and Sport, appointed a working group in October 2010 to function as the ministries' expert in matters related to the preparation and launch of a de-

velopment actor for the creative industries and cultural entrepreneurship. The goal of present activities is to prepare a system for the creative industries that will simplify the currently fragmented services and generate financing, as well as to test a model for adapting the business service system to better match the development needs of the service economy. The Canadian business development systems for music, architecture and the gaming industry, which have proved to be more effective than the typical systems serving all industries, have been used as a benchmark in the preparatory work concerning the development actor. The main feature of the Canadian model is the strong ownership of the respective industries, which gives the companies access to top competence in their fields, makes them flexible and enables them to directly answer the needs of companies in the sector.

Cooperation between ministries

The Cultural Export Promotion Programme has worked as a platform for the intensification of strategic and practical cooperation between ministries. The Ministry of Education and Culture, Ministry of Employment and the Economy and Ministry for Foreign Affairs have coordinated, for example, budget preparations in questions related to cultural exportation and financed joint projects, such as the Luovimo project carried out by Finpro and the cultural programme for the Shanghai World Expo. This cooperation has increased synergy and efficiency of resource use and thus enabled the implementation of ambitious projects.

A joint steering committee, led by the Minister of Culture and Sport, involving the Minister for Foreign Affairs, Minister for Foreign Trade and Development, Minister of Economic Affairs, Minister of Justice and State Secretary of the Ministry of Finance, was appointed for the Government's term of office to steer cultural exportation at Government-level.

The importance of strong political steering and commitment cannot be overestimated when dealing with objectives such as the development of cultural exportation, which links several administrative branches. In the future, political steering should be further strengthened and clarified by establishing a general Minister-led steering structure for the creative economy.

Characteristics of the cultural and creative industries

The characteristics of the cultural and creative industries and cultural exportation have become better understood during the implementation of the Cultural Export Promotion Programme. These characteristics must be taken into consideration so that the impact of public measures and the importance of culture to the national economy can be further increased.

1) Business structure in the sector

According to *The Entrepreneurial Dimension of the Cultural and Creative Industries (2010)*, a study commissioned by the European Commission and carried out by the Utrecht School of the Arts, 80% of European companies in the cultural and creative industries are small and medium-sized or micro enterprises and of these, 60% are micro companies of one to three employees. Large companies, which account for 1% of the total, generate 40% of the turnover in the industries, and there are hardly any medium-large enterprises. While there are no comprehensive statistics on the size of Finnish companies in the cultural and creative industries, the business structure is undoubtedly similar.

The business structure is characterised by the majority of companies focusing on the (primary) production of culture and the arts, and these companies are the smallest ones. In contrast to fragmented production, publishing,

distribution and sales are often centralised and carried out by larger companies. Thus, the size of companies and the volume of business increase the further you proceed in the value chain from production to distribution.

With cultural products and services occasionally even being in oversupply, the producers' negotiation position in relation to distributors is weak. This is emphasised in international markets, especially since Finnish distributors and other players usually work only in their home country and Finnish producers are forced to negotiate with large, international distributors.

2) Intermediary level

Another characteristic of the Finnish cultural industry business structure, significant from the perspective of cultural exportation, is the small size and undeveloped nature of the intermediary level (agents, managers etc.). In the field of arts, the intermediary rung consists of often micro-sized cultural service companies and other players that are very different in nature and quality. Some of the providers of cultural services work highly professionally, while others operate in a project-based manner. According to the report prepared by Diges for the preparatory committee for cultural exportation in 2008, there are around 40 full-time intermediary enterprises in Finland and some 20 companies that function as intermediaries in addition to their main activities. Intermediaries are most common in the fields of popular music and visual arts, and operate only occasionally or hardly ever in other fields of culture.

The weakness of the intermediary structure often makes it difficult to get products on the market and complicates the conditions of market entry, since each producer/artist conducts distribution negotiations individually. In this situation, producers/artists operate outside their core competence and have to spend their time on activities other than artistic and cultural pro-

duction. In international markets, contracts are nearly always negotiated by an agent or with the assistance of one, while Finnish producers have to use international experts in the sector. The fees of international intermediaries are a loss to producers, as well as to the Finnish national economy.

3) Immaterial rights, their creation and management

Immaterial rights, especially copyright and related rights, form the foundation for the economy and trade of culture. In many industries, cultural exportation specifically involves trading in rights. In fact, the importance of rights-related matters has been emphasised during the implementation of the Cultural Export Promotion Programme both in Finland and other countries.

In its statement about the Government report on the future of culture, Parliament's Committee for the Future found that "raw materials and machines play a minor role in the information society. Immaterial value added now plays the leading role. Immaterial capital is the driver of companies' value generation these days, which is why there is a clear need in society to understand, manage and measure immaterial matters and rights." Immaterial rights, their understanding and measurement involve two questions that are crucial to the development of cultural exportation and the entire creative economy.

The lack of established means to evaluate immaterial rights is a big problem, especially for the financing of cultural companies. The value of immaterial rights is not shown on the balance sheet, which both private and public financiers and investors assess prior to making financing decisions, but instead is linked to products and services. This puts cultural companies in a weaker position than traditional industrial enterprises as concerns the acquisition of financing.

Another challenge related to immaterial rights is the ability of the creators of rights, basically artists and producers, to retain the rights to their products. Pro-

ducers often have to relinquish their rights in order to finance product development or secure delivery and distribution contracts. This practically makes producers subcontractors who do not benefit from the success of their products. Instead, the revenues go to the international distributors who purchased the rights.

In such cases, the value added to the national economy practically arises only from the pay and wages paid by the company or player. If, however, the producer manages to retain the rights, especially in scalable cultural products such as AV content and games, international success increases, even multiplies, value added and turnover. For example, the Finnish gaming industry estimates that the sector's annual turnover could increase, even with current sales volumes, from today's EUR 100 million to as much as EUR 300 million if game developers could finance product development and organise publication without relinquishing their rights to the games.

Conclusions

In addition to the well-known practical challenges related to the productisation and marketing of cultural exportation, experiences gained from the implementation of the Cultural Export Promotion Programme show that the business and intermediary structures of the creative and cultural industries and the utilisation of rights both form a structural problem.

In order to strengthen the financial foundation of culture production and increase the significance of culture to the national economy, the value added in the sector must be increased by financing the product development, productisation and marketing of production companies and by strengthening the intermediary structure so as to facilitate product market entry, improve the negotiation position of production companies and help players retain their rights.

The elimination of these structural bottlenecks and the ensuing increase in the value added should be the main goals when developing cultural exportation, the creative economy and cultural entrepreneurship during the Government's next term of office. This is the only way to put the existing economic potential to full use.

The achievement of these goals requires the public "toolbox" to be diversified and especially the tools of the business service system to be modified and made accessible to enterprises in the creative and cultural industries.

Products and services from the cultural and creative industries are nearly always offered directly to the consumer markets, making it difficult to forecast their success. From the perspective of public investment, it is important for the industries to have their own strong and competent export promotion structures that can support and organise joint export projects and improve business competence related to exportation. Though the markets and earnings logic may differ widely depending on the industry, many export promotion measures and required skills are highly similar. More attention should be given to enhancing cooperation between industry and export promotion organisations, as well as to consolidating the export promotion structure formed by them.

Even the best of plans do not lead to results without efficient implementation. As stated above, Finland has the ability to utilise the opportunities offered by international trade in the creative and cultural industries, as well as by growth in the creative economy. However, this calls for both courage to modify the traditional approach to organising the public services involved and a clear political decision to emphasise the development of cultural exportation and the creative economy.

A proposed outline for the promotion of cultural exportation in the 2011–2015 Government term of office is included at the end of this report.

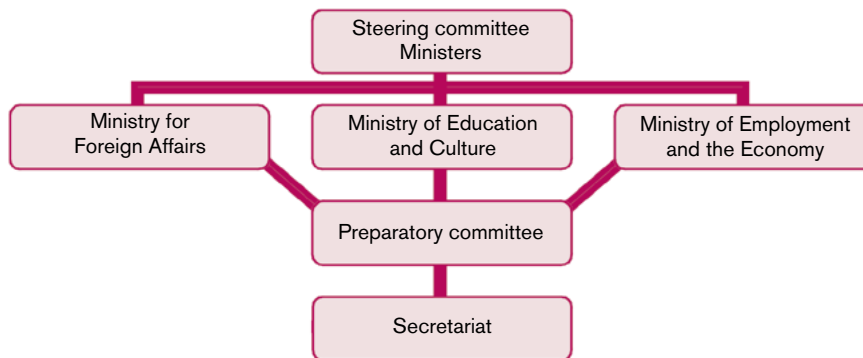
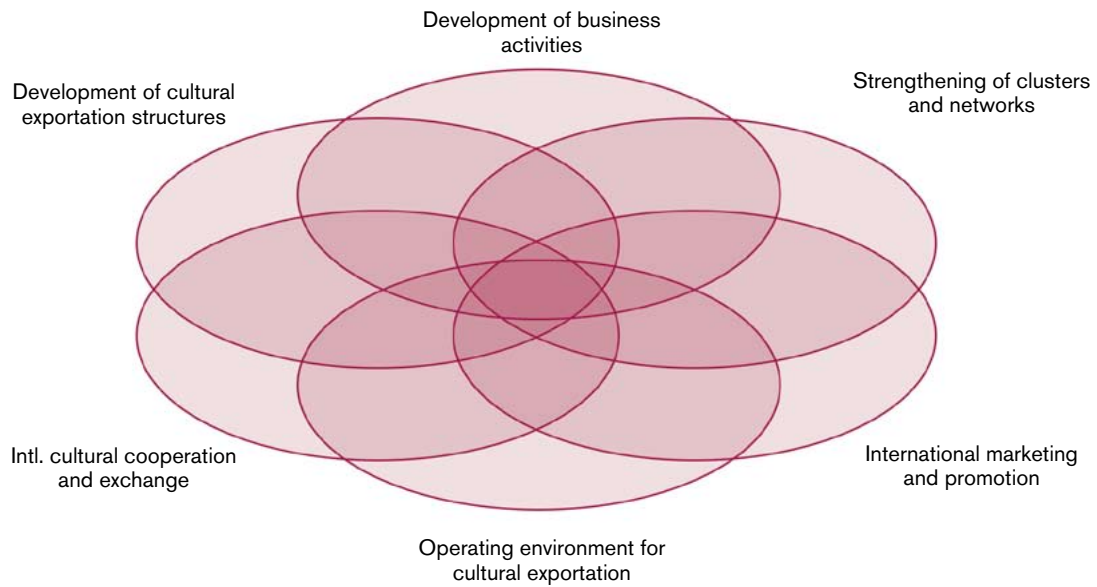
Cultural Export Promotion Programme: implementation, structure and communication

The implementation of the Cultural Export Promotion Programme followed the structure of six targets of development. In practice, the measures adopted covered these targets relatively extensively. Each target of development involved several measures, but most of them focused on the “development of business activities”. Measures belonging to different targets of development were used to promote, among other things, the competence, financing and support forms related to cultural exportation.

The secretariat of the preparatory committee for cultural exportation convened every two months. The preparatory committee had two to three annual meetings and a total of three full-day development events during which it discussed the broad outlines of the Cultural Export Promotion Programme. The steering committee convened twice.

Three extensive reports were published during the programme in 2007, 2008 and 2009. The 2007 report described the measures proposed by the preparatory committee and their financing needs for the entire programme duration, while the 2008 report discussed the progress of their implementation. The 2009 report described the measures carried out in the programme, focusing on individual industries and using concrete examples. The implementation of measures in 2010 is described in this final report. All of the cultural exportation reports are available on the website of the Ministry of Education and Culture (www.minedu.fi), as well as on the Network for Cultural Export site (www.kulttuurivienti.fi).

The www.kulttuurivienti.fi site was launched in 2007, and a cultural exportation newsletter has been sent out since the beginning of 2009 in compliance with the cultural exportation communication plan. Several other reports on the creative industries, cultural entrepreneurship and international cooperation have been published since 2007.



Organisation of the implementation of the Cultural Export Promotion Programme

Cultural Export Promotion Programme

measures implemented in the programme period

Annual cultural exportation reports have followed the implementation of the Cultural Export Promotion Programme, carried out in compliance with the principle of six targets of development. The material of this final report is categorised according to the measures outlined in the Powering up Finnish Cultural Exports report and described using examples that provide a good overall picture of the programme's implementation over a period of four years. The material is categorised into:

- Programmes and projects
- Project funding
- Export networks
- Joint projects and educational means
- Industry-specific surveys and statistics
- Development of a support network for cultural exportation
- Support system for promoting art and culture

The final report does not deal with the measures described in previous annual reports, but focuses on examples that depict the implementation of measures throughout the programme period.

Programmes

During the Cultural Export Promotion Programme, several processes and programmes with goals similar to those of the Promotion Programme were launched in the administrative branches of ministries committed to cultural exportation.

Examples of programmes

The Ministry of Employment and the Economy set up a Development strategy for the creative economy, which aims to develop business activities, promote labour market functioning and speed up product development in the operating environment of the creative economy. The project will also produce visionary market information to anticipate the need for changes. The project term was extended until 30 September 2011.

The Development strategy for the creative economy was chaired by Anni Sinnemäki, Minister of Labour, and the deputy chairman was Petri Peltonen, Director General of the Innovation Department of the Ministry of Employment and the Economy. The management group has representatives from the Ministry of Employment and the Economy, Tekes, Finnvera, Finpro and the SME Foundation. The project's workgroups involve over 100 people, and the Demand-based innovations group from the Ministry's Innovation Department also works in close cooperation with them.

The following measures were adopted during the Development Strategy for the creative economy, the goal being to advance matters belonging to the Ministry's administrative branch:

Elimination of obstacles to employment

- Updates to the Classification of Occupations
- Special competence in services offered to the creative professions nationwide, dedicated service point(s) for the creative professions

- Development of group services for job seekers in the creative industries

Entrepreneurship in self-employment

- Development of the start-up grant system
- Development of cooperative activities

Identification of new forms of work and development of services, third path

- Changes needed in social security, legislation etc.

Development of enterprise services

- Development of counselling and expert services, "one-stop" principle

The aim of making the creative economy visible forms the foundation for all development. What is also needed is a great deal of numeric data and information describing the infrastructure of the creative industries. Industry factsheets have been produced in two different work phases for this purpose. The factsheets produced in the first phase are used, for example, by Centres for Economic Development, Transport and the Environment and by various developers in the sector. Second-phase activities resulted in a basic model for numeric data collection. Tekes used its own tools to produce industry-specific summaries. In addition to using industry-specific descriptions, the creative economy has been modelled with a simple maturity model, used, for example, in the gaming industry's development activities.

Development strategy for entrepreneurship
in the creative industries:

http://www.tem.fi/files/19795/Luovat_alat.pdf

Tourism and Leisure Services 2006–2012, a Tekes programme, promotes the development of tourism, culture, entertainment, sports and well-being services. The programme aims to influence the business culture in these sectors so that companies would adopt product and service development as a means for business development. Increased use of research data for the purpose of business development is another major goal.

The number of companies providing leisure services is large: tourism sectors alone employ around

130,000 people in Finland. The Tourism and Leisure Services programme aims to boost the development of pioneering companies and help to spread their example and impact more extensively among companies. Tourism was chosen as the first target industry when the programme was launched in autumn 2006. Sports companies have proved to be the most active funding applicants.

Companies in the creative industries found the programme in 2010. CreaMentors Oy has worked as Tekes' partner activating companies in the creative sector (culture and entertainment) since spring 2010. The task of CreaMentors is to spar players in the field and help companies utilise programme services to develop their activities. Activation measures geared towards a larger group of players were adopted in October–November 2010, with four regional invitational events arranged in Oulu, Tampere, Kuopio and Helsinki.

The events were attended by some 80 players in the creative industries.

By autumn 2010, funding decisions had been made on 77 company and research organisation projects (ca. 5% from the creative industries), with an overall volume of some EUR 18.8 million. Of this, company projects accounted for EUR 11.6 million. Tekes' share of project funding had exceeded EUR 11 million by the end of 2010.

Companies can apply for funding from the programme on a continuous basis. In addition to company development projects, the programme finances applied research projects supporting innovation activities in companies. While the application periods for research projects in the Tourism and Leisure Services programme have now closed, research institutions can still apply for funding without deadlines in 2011 for parallel projects carried out jointly with companies.

Further information:

www.tekes.fi/ohjelmat/vapaa-aika

The characteristics of Finnish culture were analysed by the Ministry for Foreign Affairs in connection with the work of the Country Brand Delegation, chaired by Jorma Ollila. The report of the Delegation appointed by Alexander Stubb, Minister for Foreign Affairs, was published in November 2010. Based on

extensive citizens' consultation, the Delegation found Finland's key strength to be its exceptional ability to solve problems: Functionality is a Finnish trump card setting us apart from others.

The persistence familiar from Finnish art is also reflected in our general way of addressing problems. When surveying Finland's strengths, the Delegation did not follow traditional categorisations, which consider culture and the economy, for example, to belong to different areas. In this case, culture was not to be treated as something separate from the surrounding society. Culture is such an essential part of our identity that its presence is obvious in all of our core strengths. There is something particularly unique about our culture, as shown by the exceptionally large number, in relation to the population, of outspoken personalities at the very top of their own fields of art.

However, Finland is not all that well known outside our immediate sphere of influence. Finland's image out in the world is not as strong as the country's success in various surveys would merit. This implies that we do not value our strengths enough and do not efficiently communicate them to the rest of the world. Finland is highly dependent on other countries, yet it undercommunicates.

The Country Brand Delegation came up with a clear recipe: Finland's development and its success in international image contests go hand in hand – to thrive we need new actions. Every Finn can participate in this. The Brand Delegation assigned different players various tasks, which will make Finland an increasingly better place to live. There is not shortcut to boosting the country brand: the world's most solid country and product brands call for decades of systematic work and communication. The Country Brand Delegation defined a vision for Finland in 2030:

- There will be more work available in Finland, and it will be more meaningful
- Resources will be invested in Finnish creativity and expertise
- Travellers who appreciate Finland will have discovered our country
- Finland will bring clean water and schooling to areas ravaged by conflicts
- Finland will attract world-class specialists
- It will feel really good to be a Finn

As for the follow-up to country branding work, the Delegation proposed that the field be included as a high-priority topic in the Government Programme of spring 2011. In addition to developing Finland, there is also a need to enhance the country's international communication. This calls for joint efforts involving the authorities, enterprises and organisations. In Finland, communication about country branding calls for a new way of organising activities, while players representing Finland abroad must pull together more strongly based on the House of Finland operating concept.

In the Ministry for Foreign Affairs, all public diplomacy has been arranged so as to support the targets defined by the Country Brand Delegation. The platform for operations is formed by new public diplomacy country programmes, which the Ministry for Foreign Affairs uses to define the country-specific objectives, messages, target groups and measures for non-governmental influencing and communication. Within this framework, culture is one of the key channels through which Finland can express its uniqueness and special problem-solving abilities to the world. Various development measures working towards the country branding targets have already been adopted within the Cultural Export Promotion Programme during the Government's current term of office. In order to boost the country brand it is essential that the economic foundation of the creative industries be strengthened and that the entire sector be offered increasingly better opportunities to achieve visibility abroad. Unutilised opportunities still abound in this respect. The entire art sector benefits from the cultural dimension of country branding being strengthened: top names, spearhead projects and new breakthroughs raise interest and open doors to other newcomers.

Report of the Country Brand Delegation:
www.tehtavasuomelle.fi/

Programmes carried out by the Ministry of Education and Culture:

Product development for the purpose of cultural tourism has been promoted as a part of cultural exportation. The committee that the Ministry of Education

and Culture appointed in 2007 has launched measures to boost cultural tourism in compliance with the Cultural Export Promotion Programme. The goal is to enhance the image of Finland as a cultural tourism destination.

In December 2008, the steering committee for cultural exportation approved the cultural tourism committee's proposal for a 2009–2013 action programme promoting cultural tourism product development. The objective is to facilitate the creation of international cultural tourism products and services. All of the programme's development measures have been launched and they have proved to be relevant. Strengthening the knowledge base of and cooperation between cultural and tourism players is of key importance in this work. Culture Finland, a national umbrella programme for cultural tourism promoting networking and internationalisation, started at the beginning of 2011.

For the purpose of carrying out development measures, the Ministry of Education and Culture allocated an appropriation of EUR 400,000 as a part of the implementation of the Cultural Export Promotion Programme in 2009 and 2010. In 2009, aid was granted to 20 projects and in 2010, to 22 projects. EUR 750,000 was reserved for this purpose in 2011.

Ten reports on cultural tourism were completed from 2008 to 2010. The reports surveyed the importance of culture to Finnish tourism, focusing on topics such as Finland's attractiveness as a cultural tourism destination, the experiences that foreign tourists have of Finnish cultural sites, as well as the touristic significance and international potential of Finnish cultural events. The surveys have contributed to the overall understanding of the prerequisites for cultural tourism. The productisation of Finnish culture for international tourism markets is still in its early phases, but it has potential.

Further information about product development for cultural tourism is available at:
www.kulttuurivienti.fi

Implementation of the **national ESF development programme for business growth and internationalisation in the creative industries 2007–2013** began in 2007, coordinated by the Ministry of Education and Culture. The programme measures extend until 2013. The development programme strengthens product development, innovation, business, entrepreneurial, production and managerial competence in the creative and cultural industries, in addition to boosting the sector's knowledge base and forecasting skills.

EU and government funding for the development programme totals some EUR 14 million and had been used to finance 16 projects by the end of 2010. In December 2010, funding negotiations were initiated with eight new projects. Slightly over EUR 9 million had been reserved for the development programme. The projects involved 497 companies and 2,109 people. Implementation of the development programme has been supported by Creative Industries Finland, which coordinates it.

On the whole, the development programme has been successful. It has provided versatile funding for projects that comply with its targets. One of the biggest challenges facing the creative industries in Finland is the strengthening of companies' basic business skills, and this has been the focus of many projects. Developing such basic skills also supports cultural exportation. Taivex and Finnish Music Express are projects that directly supported the promotion of cultural exportation. Moreover, internationalisation has been a topic in several projects, such as Film Location Finland and Bridge Builders. In addition, two new projects focusing on internationalisation and exports are about to be launched.

Internationalisation was the focus of very few project applications submitted during the application rounds, even though it was included in the evaluation criteria. On the other hand, ESF funding does not necessarily meet the internationalisation needs of players, and the number of players ready to go international has proved to be quite small.

Further information about ESF projects is available at:
www.creativeindustries.fi

Cultural exportation also involves other programmes and projects, which are described on the www.kulttuurivienti.fi site. The Young Culture programme administered by CIMO, the Centre for International Mobility, is one way of promoting cultural exchange among young people. Further information: www.nuorikulttuuri.fi. In 2009, the Ministry of Education and Culture launched a programme focused on education export. Further information: www.minedu.fi/OPM/Koulutus/artikkelit/koulutusvienti

Project funding

Project funding has been one of the main tools of the Cultural Export Promotion Programme. Its goal is to provide good projects with the resources needed to succeed. The guidelines for cultural exportation project funding were drawn up in 2008, when the steering committee approved the preparatory committee's measures and the ensuing funding needs.

Internationalisation aid granted by the **Ministry of Employment and the Economy** for joint company projects from 2007 to 2010

	2007	2008	2009	2010
International projects	17 766 000	29 564 000	18 928 000	26 010 509
...of which culture	766 000	2 006 000	1 352 000	2 379 000
and Shanghai World Expo 2010 implementation	-	10 275 000	835 000	1 555 000

The Ministry for Foreign Affairs has arranged around 150 to 200 annual visits related to the cultural sector, and a total of 700 guests have visited Finland at the Ministry's invitation during the programme period. Project funding, including the cultural input earmarked by the Ministry for Foreign Affairs, is around EUR 350,000 a year. The resources of diplomatic missions must also be added to this sum, raising the Ministry's overall annual input into culture to nearly five million euros, including person-years.

	2007	2008	2009	2010
Tailored guest programmes	94	78	97	72
Showcase and festival guests	82	89	107	81
Total	176	167	204	153

The project funding granted by the **Ministry of Education and Culture** for the promotion of cultural exportation has risen notably during the programme period. However, the expectations of the players involved were a great deal higher at the beginning of the programme.

	2007	2008	2009	2010
Cultural exportation spearhead project subsidies	794 000	1 694 000	1 344 000	1 644 000
Cultural exportation project preparation subsidies	-	-	100 000	150 000
Shanghai World Expo cultural programme	-	-	634 232	233 000
Product development for cultural tourism	-	-	315 000	400 000
Information centre subsidies for cultural exportation projects	-	-	800 000	800 000
Cultural institution subsidies for cultural exportation projects	-	-	200 000	500 000
Total	794 000	1 694 000	3 393 232	3 727 000

* Arts information centres and cultural institutions received cultural exportation project subsidies through their own appropriations from 2009 onward, leaving more resources available to support for other spearhead projects.

In 2009, the Ministry of Education and Culture appointed an evaluation group for the handling of discretionary government transfer applications dealing with cultural exportation projects. Experts from the Ministry of Employment and the Economy's sector were invited to the group to introduce business competence into project assessment. The members appointed by the Ministry of Employment and the Economy came from the Ministry itself, from Tekes and from Centres for Economic Development, Traffic and the Environment. Moreover, a representative from the Ministry for Foreign Affairs, as well as three experts in arts peer review appointed by the Arts Council of Finland, were invited to join the group. The evaluation group has diversified the assessment of cultural exportation projects handled by the Ministry of Education and Culture.

In 2009, the Arts Council awarded its first grants and subsidies for participation in Nordic or EU cultural cooperation, as well as for projects involving international cultural cooperation, export and exchange. The need for such a support form was great: the sum applied for in the first round of application exceeded the available monetary resources 20-fold. Allocating appropriations to international cultural cooperation projects was an initiative made by the Ministry of Education and Culture, and the goal is to continue to develop it.

Examples of cultural exportation projects

The subsidy for spearhead projects in cultural exportation has helped the Tero Saarinen Company strengthen its ability to operate in international markets and deal with the unfavourable competitive situation resulting from small domestic base funding. In many European countries, dance companies receive large public subventions.

The subsidy has enabled the adoption of an umbrella brand strategy and the development of communication and marketing strategies based on the strategy, as well as inputs especially into sales and marketing, new market areas and product range expansion. The subsidy has been used, for example, to renew the company's

website, hire marketing and sales managers, as well as produce various promotional materials.

The Tero Saarinen Company, which has been seen in nearly 40 countries to date, has expanded its performances to new countries every year: in 2006–2010, the company performed for the first time in Mexico, Argentina, Columbia, Canada, Australia, New Zealand, Norway and San Marino. Alongside this, the dance company established its position in its main target countries, such as France, Germany and the United States.

Year by year, the Tero Saarinen Company is invited to increasingly big and important theatres, which testifies to the increase in the brand's international attractiveness. In 2005, the average number of spectators at the group's performances was 545, and by 2010 it had risen to 833, or nearly the same as that of the Finnish National Opera.

Following development work, the activities of the Tero Saarinen Company have expanded and diversified considerably. Activities have been rationalised by assigning the growing licensing activities and technical services sales to a separate company called Poetry in Motion Oy (former Toothpick Oy), while the Into liikkeessä (Passion in Motion) association continues to handle the performance and production activities of the Tero Saarinen Company. The overall financial volume of Into liikkeessä has increased from EUR 726,000 in 2005 to some EUR 1.2 million in 2011, while that of Poetry in Motion has gone from EUR 15,000 to nearly EUR 200,000.

The Company's funding base has also expanded. The latest work received joint production subsidies from Great Britain, France, the USA and Lithuania. The Tero Saarinen Company received support for the development of its business system and process competence from the Tekes Tourism and Leisure Services programme, becoming the first purely art-oriented player to do so.

"The subsidy for spearhead projects in cultural exportation, along with EU funding and Tekes subsidies have enabled us to develop such areas in our activities that need to be promoted if we want to succeed internationally, but that we could not have focused on solely with the funding we receive for basic operations. When operating at the international level we are, it



Daegu Photo Biennale, Daegu/KR, 2010



Daegu Photo Biennale, Daegu/KR, 2010

is particularly important to invest in top quality and build one's position in a systematic manner. We have already achieved a great deal, but our objectives are much higher," says Iiris Autio, Executive Director of the Tero Saarinen Company.

For more information:
www.terosaarinen.com

The first phase of the Helsinki School cultural exportation project started with the support of a cultural exportation subsidy in 2007 and is still ongoing. All of the phases have been carried out as planned and with good results. The project has involved around 50 artists so far.

The key significance of the cultural exportation subsidy comes from it enabling participation in arts fairs. Experience has shown that in addition to sales a single fair leads to a minimum of one new exhibition opportunity for every other participant and one exhibition opening for Helsinki School on the whole. Fairs also bring in additional revenue to artists either directly or indirectly.

Art fairs are a way to coordinate, produce and curate Helsinki School group exhibitions as a part of other larger events. Smaller group exhibitions are set up with private galleries while also cooperating with big museums.

Within the scope of the project, lasting partnerships with potential customers are created for the producers and gallerists involved and more and more new artists

are introduced to international gallerists in order to ensure continuity.

Cultural exportation funding has enabled the Finnish Institute in London to expand and boost its position as a key player and network leader in fields selected by it in Great Britain. Thanks to the funding, the Institute enjoys a solid and brilliant reputation as a knowledgeable, active and bold player in London's demanding, multinational and competed field of design.

The Cultural Export Promotion Programme has enabled projects to be carried out on a larger scale, meaning the construction of larger platforms, which has increased visibility and contact interfaces in the destination country. Cultural export funding has made the Institute a key partner in the target country's field of events and strengthened its role as a strategic networker of players in Finland and the target country.

Broader measures form umbrella projects, which offer opportunities to a larger group of cooperating parties. Projects bring together different types of players and activities and thus offer all parties increased network capital. Assemblies of this kind point out differences in the starting points, operating conditions and needs of participants, which can lead to projects evolving into operating platforms that enrich everyone involved.

It is easier to generate business cooperation in larger projects and such cooperation is of a more systematic nature. HEL YES! had led to companies getting in touch with the Institute to propose future cooperation.



New Art Photography from Finland, Loft Project ETAGI, Pietari/RU, 2009, avajaiset



New Art Photography from Finland, Loft Project ETAGI, Pietari/RU, 2009, näyttelyn ripustus

The cultural exportation project enables the implementation of larger projects, which, in turn, opens doors for other funding. The overall budget of the HEL YES! project was EUR 250,000. The cultural export subsidy of the Ministry of Education and Culture accounted for 26% of this, company subsidies for 16% and other private or public support from Finland for 33%.

The Institute's own communication resources in Great Britain are minimal. The cultural export subsidy enables campaign communication in the target country to be carried out more systematically and on a larger scale. Such visibility facilitates networking considerably and opens new doors after project conclusion. What is more, funding enables media monitoring in Finland and the target country.

Projects enabled by cultural export funding increase competence, since they offer the opportunity to develop new operating methods, study new forms of networking, as well as provide education export and assessment follow-up. The roles of players become clearer, with large products leading to customised cooperation between them. Projects help the Institute emphasise its activities as a plausible international actor in its own field. This, in turn, leads to more cooperation opportunities and project proposals. Thus, institutes also develop international competence at home through the best practices they adopt.

Further descriptions about spearhead projects in cultural exportation are available at: www.kulttuurivienti.fi

Export networks

Examples of export networks

Music Export Finland is an export promotion organisation founded in 2002, which aims to help the Finnish music business raise its export revenues. To fulfil this task it:

- paves the way for raising the market value of Finnish music exports
- introduces Finnish artists, composers and other parties, performers, as well as their representatives to major international decision-makers and buyers in the music sector, in addition to setting up the conditions needed to obtain new publication, distribution, publishing, product cooperation and tour contracts
- aims to broaden and diversify the range of Finnish companies in the music business and consequently increase the flow of income that Finnish professionals get from abroad
- sharpen the export skills of Finnish music professionals and companies, as well as improve their business competence relevant to export.

Members of the organisation, which took charge of operations at the beginning of 2005, include Finnish music federations on a broad base. Thanks to the variety of members, the export organisation's services are accessible to all Finnish music professionals. Its customers include professionals in artist, record and publishing companies, management companies, agencies, as well as different kinds of new service enterprises.



Five Corners Quintet Tokion Blue Notessa Finland Festin yhteydessä.

The ministry of Employment and the Economy funds the operations of Musex with an annual general subsidy, which amounted to EUR 280,000 in 2010. The Ministry has also supported joint projects carried out by Musex by EUR 1,196,600.

In 2010, Musex granted 41 tour subsidies, totalling EUR 367,000 of the subsidy granted by the Ministry of Education and Culture. The overall amount of export subsidies granted to the field in 2010 under the coordination of Music Export Finland had not been confirmed at the time this report was compiled (the financial statements were to be completed by the end of March 2011), but it was estimated to be around EUR 500,000. The results include, among other things, contracts related to distribution, publishing, tours and other partnerships. The market value of Finnish music exports grew by an annual rate of some 35% from 1999 to 2007 and totalled approximately EUR 25 million in 2008.

Thousands of highly productive Finnish artists work around the world and have a considerable employment impact. For example, hard rock, electronic music, pop and jazz are of interest throughout the world, while Finnish heavy metal has a solid and well-established

reputation especially in Central Europe, South America, Japan and China. New sources of income include the sales of work, as well as innovative applications and services. The works of Finnish songwriters, in turn, have topped the lists in countries such as South Korea, Germany and Norway, while new service companies are gaining a foothold in various markets.

For more information: www.musex.fi

Favex was established in December 2007, and regular operations were launched in August 2008 thanks to the Cultural Export Promotion Programme. FAVEX works to advance the export, promotion, marketing and sales of Finnish audiovisual production and services, whether dealing with television, cinema or advertising.

Through its activities, Favex has introduced a considerable number of new international contacts into the field both from the perspective of national organisations and from the perspective of cinema, television, production service (including post-production services and special effects), animation and other producers. Both well-established and brand new companies have sought contacts, as well as business, abroad, taken part in training and networks, as well as visited



Steam of life.

markets and festivals more often and on a broader geographical scope than before. A whole new generation of players, with a global outlook from the start, has emerged.

Many positive changes have taken place in the creation of Finnish cooperation networks. The field, which used to be highly fragmented and divided into several subsectors, has found a mode of cooperation and common benefits.

The development of entrepreneurial activities has long been the norm in some audiovisual fields. Nevertheless, the professional and business competence of producers has clearly developed in the course of the Cultural Export Promotion Programme.

A change has taken place in the share of international funding, which is expected to continue to increase in Finnish productions. As an organisation, Favex has aimed to find long-term, cost-effective and synergistic solutions for this. The Ministry of Employment and the Economy has supported joint projects in the film industry carried out by Favex by EUR 96,500.

Further information www.favex.fi

Finpro's Luovimo project was launched with funding from the Ministry of Education and Culture

and the Ministry of Employment and the Economy in autumn 2009. Twenty companies from the creative industries were selected for the project through an open application process. The number of applicants was nearly fourfold, proving the need for this type of service. Luovimo is a part of the strategic development of Finpro's service business and will continue until the end of 2011, after which the project's results will be evaluated and decisions will be made on a possible continuation.

Luovimo's emphasis is on developing resources for concept, product or service sales. The project's focal sectors are design, cinema, TV/AV, music, performing arts, games and content production. Finpro works in close cooperation with export and sectoral organisations in the creative industries in order to identify growth challenges and interesting concepts common to different fields.

The Ministry of Employment and the Economy has supported the first-year activities (2009–2010) of Luovimo by EUR 200,000 and the second-year activities (2010–2011) with a subsidy also amounting to EUR 200,000. The Ministry of Education and Culture has supported the Luovimo project by EUR 100,000.

The project has developed the business competen-



Negative at the Shanghai World Expo 2010

ce of companies involved, as well as supported their internationalisation. In addition to offering company-specific support, Luovimo has functioned as a platform for cross-sectoral cooperation and the innovation of new product and service concepts. Companies involved in the project have given positive feedback and felt the consultation they received met their needs. The project has already resulted in joint projects between companies participating in it.

Further information:
www.finpro.fi/fi-FI/Business/Programs/Luovimo/

Joint projects and educational means

Examples of joint projects between participants

Shanghai World Expo

The cultural programme for the Shanghai World Expo was the largest single cultural export project to

date. It was financed by the Ministry of Education and Culture and the Ministry of Employment and the Economy, while the Ministry for Foreign Affairs and Finpro's Expo organisation took part in its implementation. The Ministry for Foreign Affairs also supported the project through project contracts, visit funding and the Shanghai Consulate General.

The project was based on a survey that the two ministries in charge of financing commissioned from Iiris Autio, Executive Director of the Tero Saarinen Company, in autumn 2008. The starting points for implementation were formulated on the basis of the survey. The decision made by the financiers and the Expo organisation to use the project to promote cultural exportation proved to be significant for cultural exports. Another important goal was to carry out all of the Expo cultural projects and performances in cooperation with local partners, also outside the actual Expo. These ambitious, but essential goals in terms of cultural exportation, required persistent operations and close cooperation between cultural export professionals. Consequently, the ministries in charge of financing, as well as the steering committee for the

Expo project decided to hire a producer for the cultural programme 18 months prior to the Expo launch.

The Ministries decided the producer in charge of project implementation should work under Music Export Finland, which has experience of systematic networking activities and the production of export projects leading to close partnership between professionals.

Over 250 Finnish cultural events, covering a wide range of culture sectors, were implemented under the scope of Finland's Expo cultural programme. The events also spread outside the World Expo in Shanghai, elsewhere in China and neighbouring regions. In addition to public events, a total of five Snowball export and networking seminars dealing with music, design, architecture and the performing arts were arranged in Shanghai. They offered a good opportunity for the 476 Chinese and Finnish cultural exportation professionals attending the event to meet with one another.

In addition to export expeditions, the Ministry for Foreign Affairs and Greater Helsinki Promotion, among others, arranged visits to Finland for professionals in the creative industries, which greatly contributed to the cultural programme's success. In 2009–2010, around 30 Chinese media representatives and professionals in different cultural sectors visited Finland.

What made the extensive programme possible was the fact that cultural sectors were likened to export industries and that the projects were carried out in close cooperation with companies active in cultural exportation. In fact, the scope of the programme would have been impossible without the investments that the private sector made in the project and in the Chinese market in general. The Ministry of Employment and the Economy financed around 70% of the EUR 17 million needed for participation in Shanghai. This translated to around EUR 12.6 million. In addition, ministries invested a total of some EUR 1.6 million in the Expo project's cultural programmes, while Finnish companies and other players in the sector contributed with slightly over EUR 600,000 and Chinese promoters and other cooperation partners with at least as much.

The World Expo, tour subsidies and the 2012 World Design Capital created concrete frameworks for the ideation and preparation of cooperation and contributed to the success of both export expeditions and the programmes of visits.

The most significant single production was the Finland Day, held at the World Expo on 27 May 2010. It and related events featured performances by a total of 24 artist groups and over 100 artists. Thirty performances were arranged on the World Expo grounds and eleven related events around the City of Shanghai. Cooperation with local players was an important criteria when making selections for the programme. The Finland Day led to several joint projects, which created lasting contacts between artists and organisations from Shanghai and Finland.

The cultural programme produced a lot of visibility in the main media and online, as well as special editions focusing on Finland in culturally oriented newspapers and media. Moreover, the cultural programme resulted in a great deal of cooperation and business, including recordings, recording contracts, a music video, theatre productions, an animation series, dance production, tours and residence programmes.

Finland now has an excellent network of key players in their fields in China and especially in Shanghai. Shanghai is already home to the largest cluster of Finnish organisations in countries outside Europe, and it is now complemented by cultural networks. The new contact network provides brilliant opportunities for future measures, and the World Expo process showed that there is demand for Finnish cultural products and competence in China.^s For the networks to remain active, further measures are needed and the investments made must not be too short-term in nature.

Further information: www.finlandatexpo2010.fi

TAIVEX is an ESF-funded project lasting from 2009 to 2011, which provides producers, managers, agents, gallerists and other art intermediaries with a customised export training programme. The goal of the programme common to different fields of art is to increase networking between fields and increase the export and internationalisation skills, as well as business competence of professionals working as art intermediaries. Project implementation involves the Finnish Theatre Information Centre, Dance Info Finland, the Finnish Circus Information Centre, FILI (Finnish Literature Exchange), FRAME (Finnish Fund for Art Exchange), the cities of Helsinki, Tampere and Turku,



as well as the Small Business Centre at the Aalto University School of Economics.

The starting point for the project was the shared vision of organisations participating in the implementation of the export training programme, namely that professionals working as art intermediaries play a key role in promoting the internationalisation and exports of Finnish art. By improving their knowledge and skills, TAIVEX advances the internationalisation of Finnish art in a very concrete manner.

The export training programme is divided into two parts: the Small Business Centre offers the TAIVEX Senior Manager programme, which surveys different fields of exportation and internationalisation. TAIVEX supplements it by arranging study trips and practical small-group training organised in accordance with the students' wishes. The entire export training programme will be completed by 70 professionals. All in all, 95 students have participated in training events.

Based on the feedback collected from students, the best things about TAIVEX are the close network of colleagues formed during training and study trips, as well as the study trips, which have been found to be extremely useful. During study trips, students have learned, under guidance, about the market setup in different fields, developed their sales and marketing skills at trade fairs and festivals in their sector, as well as established a great number of international contacts. A total of ten study trips, attended by 56 students, were arranged in 2010.

In addition to the carefully prepared travel programmes, students have benefited from the country subsidy granted by TAIVEX, which covers 1/3 of the

travel and accommodation expenses from study trips. The subsidy has been especially important to many organisations operating in the non-institutional field of art. In many cases, the travel subsidy granted by TAIVEX has been the factor enabling organisations to send their employees on networking, market survey and trade fair trips abroad. The trips have already been of concrete benefit, not only to the professionals themselves but also to the organisations they represent. Personal contacts and the international network formed by them have proved to be nearly as important to internationalisation and exportation as the high quality of performances and works of art. Based on the experiences from TAIVEX, corresponding networking and market survey trips should definitely get continued support – even after the project ends.

Further information www.taivex.fi

HIRAMEKI Design x Finland export platform for design

From 29 October to 7 November 2010, Design Forum Finland carried out an extensive export project in Tokyo focusing on Finnish design. Called HIRAMEKI Design x Finland, the project was organised in cooperation with the Finnish Institute in Japan and Living Design Center Ozone. The export project, highly exceptional in terms of its scope, aimed to help companies establish themselves in the Japanese market and offer Finnish design products visibility in a context that is commercial and interesting and puts strong emphasis on culture, values and the quality of competence.

Project preparations began in January 2009. The

Ministry of Education and Culture worked as an initiator and important funding party from the very beginning. During the preparatory stage, the project got a positive boost from discussions held during the state visit to Japan of Stefan Wallin, Minister of Culture and Sport, from 22 to 25 April 2009. The Ministry of Employment and the Economy financed the exhibition and travel expenses of the 58 SMEs that participated in the event with a total of EUR 245,000. The Ministry for Foreign Affairs also supported the project and its visibility in Japan. The project was published at the Embassy of Japan in Finland in May 2010, and, in cooperation with the Embassy, Japanese journalists were invited to a press event in Helsinki in June 2010. The extensive project included both public and business resources. Public funding lowers the threshold of small players to participate and enables shared objectives to be achieved. Private funding and companies' motivation to invest turned the project into a concrete, goal-oriented activity on the Japanese market. All of these together made the project possible.

The HIRAMEKI Design x Finland exhibition attracted around 36,000 visitors in ten days. The project got a great deal of attention in the media.

The exhibition programme also included a matchmaking event targeting local buyers, importers and other potential customers and partners, as well as companies and designers participating in the exhibition. A total of 46 Japanese players took part in the tours that Team CK, a consultancy firm, organised during the matchmaking event. According to preliminary interviews conducted with HIRAMEKI participants, most of the companies involved felt their expectations had been met, and an average of two to three noteworthy contacts were established during Hirameki (JaBuPro 2010–2011 research project, Aalto University School of Economics, 26 interviews before and after the event.)

Further information: www.hiramekidesign.com/

Industry-specific surveys and statistics

In its report published in 2006, the Committee investigating the measurement of the economic effects of culture, appointed by the Ministry of Education and Culture, found that one of the main challenges to cultural policy was to strengthen the knowledge base on the economic impact of culture. According to the committee, the best way to provide information about this impact was to create culture satellite accounts based on national accounts and launch a pilot project around them.

The Ministry of Education and Culture and Statistics Finland signed an agreement on the matter, and the model for culture satellite accounts was created in 2007. Its time series ran from 1995 to 2005 and it provided information about the value added, output, employment, import, export and consumption of the cultural industries. Commissioned by the Ministry of Education and Culture, Statistics Finland continued to develop the accounts, among other things, by creating a “regional satellite”, which indicates the regional output, value added and employment in the cultural industries. Moreover, the time series used for the accounts has been extended annually and it now runs to 2008, similar to the national accounts.

Finland was the first OECD member state to create separate culture satellite accounts. Spain completed its culture satellite accounts at the end of 2009, and similar systems have also been developed in Latin America.

The greatest added value of culture satellite accounts comes from their being based on national accounts, which are the most common and reliable way to follow the development of the national economy. They also enable the production of time series, in contrast to other individual surveys concerning the economy of culture, as well as the creation of an overall picture of a fragmented sector.

Satellite accounts have shown that culture plays an important role in the Finnish national economy. Although its relative importance has not increased in the review period, the sector has grown in absolute terms. For example, the output and value added in the cultural industries have both risen by nearly 70% from 1995 to 2008, while employment has increased by more than 30%. In addition, private consumption expenditure on culture has nearly doubled.

Statistics of arts information centres

In the course of the Cultural Export Promotion Programme, arts information centres have developed their statistics methods to suit the measurement of cultural exportation and exchange. What has been found particularly challenging has been to make statistics commensurate between different fields of art. Arts information centres have noted the shortcomings in statistics on international activities and are systematically rectifying them.

In cooperation with the Finnish Literature Society, FILI (The Finnish Literature Exchange) has collected information about Finnish literary translations into an electronic translation database since the 1980s. The www.finlit.fi/fili database contains translations going back to 1853. It is the most extensive existing database containing translations of Finnish literature.

It now contains monographs published abroad – individual translations of poems, short stories and extracts published in anthologies and literature magazines will be collected later into a separate database maintained by the National Library of Finland. The Theatre Information Centre maintains a database of translations of plays.

Statistics on the theatre sector span over sixty years (Central Association of Finnish Theatre Organisations). Separate theatre statistics have been published since 1985, with the Theatre Information Centre in charge of statistics collection since 1995. The statistics include data on publicly funded theatres (dance and speech theatres), the National Theatre and the National Opera, and provide information about finances, personnel, number of performances and audience numbers (including tour performances), as well as programmes. Statistics are also collected on visits outside Finland and visits to Finland by international theatres. As for theatre and dance companies not subject to the legislation on the financing of education

and culture, statistics are collected on the groups' income formation, personnel, number of performances, audience numbers, programmes and premieres. Statistics also include the groups' performances abroad.

The Finnish Circus Information Centre has collected circus statistics since 2006. They contain data on the previous year's performances and audiences, both for traditional and contemporary circus. Separate statistics are collected on the international performances of contemporary circus companies. Plans are to develop statistics compilation to enable the generation of economic indicators.

A development project led by Dance Info Finland and involving other information centres for the performing arts is currently underway. The goal is to expand statistics compilation and data collection to cover not only performances but also other art-oriented activities. The aim is to create commensurate and comparable key figures on the performing arts that meet the needs of the art sector, the creative industries and funding parties and can also be used to study the impact and economic volume of the industries. Current economic key figures alone do not provide enough information about the sector's activities and impact or the added value it creates. What is more, the sector lacks a set of indicators and evaluation tools suitable for assessing the impact of activities not described using numerical key figures.

To date, the Finnish Music Information Centre, Fimic, has not collected statistics on the Finnish music business. The music business has several lobby and other organisations, which compile annual statistics in their own sector. These organisations include Finnish copyright associations, the Association of Finnish Symphony Orchestras, educational organisations (the Association of Finnish Music Schools, the Conservatoire Association of Finland) and IFPI Finland. In addition, Music Export Finland commissions an annual survey of the market value of music exports.

Key figures for Finnish cultural exportation and exchange	2004	2005	2006	2007	2008	2009
Cinema, non-commercial performances outside Finland*		600	500	700	689	689
International film awards			70	55	60	60
Literature: Finnish books translated	186	217	191	185	213	215
Visual arts: international projects	139	149	176	172	185	130
Theatre: speech theatre visits/audience numbers outside Finland	93 / 12 504	140 / 15 860	155 / 21 275	167 / 16 646	151 / 15 844	185 / 25 389
Circus: audience numbers outside Finland		10 109	14 375	40 577	21 861**	52 427
Music: market value of Finnish music exports (EUR 1,000)	21 693	28 893	26 227	19 817	23 324	32 092
Symphony orchestra concert performances/listeners outside Finland		67 / 66 378	50 / 45 327	57 / 69 464	60 / 58 958	51 / 54 084
Dance: performances/audience numbers	157 / 48 284	171 / 90 288	214 / 85 964	215 / 137 784	235 / 75 828	172 / 44 608***
Gaming industry: companies' turnover from outside Finland (EUR million)	32	53,3	-	66,3	75	77
Museums: number of exhibitions outside Finland			31	27	40	50

* The figures for cinema relate to the performances and awards of films that come under the scope of cultural exportation organised by the Finnish Film Foundation.

** The decrease in circus audience numbers resulted from the maternity leave of a key performer.

***Key figures for dance may show large annual fluctuations because of changes in the activities of a few groups. Difficulties in the global economy have affected dance companies, since international receiving parties have less money at their disposal, which puts more pressure on financing from Finland. The lack of it has prevented performances from being staged.

Development of a support network for cultural exportation

The concept of a support network for cultural exportation came into being prior to the actual Cultural Export Promotion Programme, fuelled by the need to enhance cooperation between parties in the fields of culture and exportation and to develop joint coordination. Members of the cultural exportation support network include all parties promoting cultural exportation in Finland and abroad, such as arts information centres, organisations focusing on export promotion in different fields of art and culture, embassies, cultural and academic institutes, the Arts Council of Finland, a number of other players in the fields of art and culture, the Centre for International Mobility CIMO, the Finnish Tourist Board, Finpro and Tekes.

Arts information centres, which were defined as strategic partners for the Cultural Export Promotion Programme in the Powering up Finnish Cultural Exports report, are key players in the support network. The centres have carried out the cultural exportation strategies they drew up for their own sectors in the early phases of the Programme. The strategies listed actual measures as well as additional resource needs. The Ministry of Education and Culture increased the operational funding of arts information centres in order to improve the conditions for cultural exportation from EUR 2,279,000 in 2008 to 3,420,000 in 2010, which is a 33% increase. In addition, the Ministry has granted arts information centres a separate subsidy for cultural exportation projects since 2009 (see table on page 18). The centres have also expanded the funding basis of their projects and made use of cultural exportation networks. Further information about the implementation of the strategies of arts information centres can be found at www.kulttuurivienti.fi

Cooperation in the support network developed as a result of the increase in direct contacts. The planning and implementation of joint projects between international and Finnish players have proved to be the best ways to intensify activities in the support network. Network activities were also intensified through the joint steering of ministries. A good example of this is the enhancement of cooperation between Finnish embassies and institutes. A survey that found coope-

ration between embassies and institutes to be minor was published in 2007. The enhancement of cooperation was described as a prerequisite for the successful implementation of cultural exportation.

Since 2007, the Ministry of Education and Culture and the Ministry for Foreign Affairs have sent out joint letters encouraging institutes and diplomatic missions to intensify their cooperation and draw up a cooperation document. In 2010, institutes and diplomatic missions operating in the same country reported to the ministries on the realisation of their cooperation plans in the previous period of activities, and the ministries provided joint feedback on cooperation, corresponding to a report on financial statements. Both the institutes and embassies have found cooperation documents to produce concrete results in the form of better and more systematic cooperation.

The first step in launching support network activities involved improving mutual information exchange. A website (www.kulttuurivienti.fi) was set up for this purpose in 2007, the idea being to use it and a joint database to coordinate the support network's projects outside Finland. However, the parties found the integrated information distribution network to be too government-oriented and laborious. The database evolved into a functioning information channel serving cultural exportation communication. The website is maintained by the Finnish Cultural and Academic Institutes jointly with the Ministry of Education and Culture Division of Art Policy.

The site contains topical news about cultural exportation and is used by the Ministry of Education and Culture for its project communication (see p. 3, cultural exportation communication). The cultural export site also contains information about cultural tourism, major events, the international employment project for young professionals and the Cultural Exportation Promotion Programme. The site is being developed to meet the information needs of the cultural exportation support network as well as possible in the future. Special emphasis is put on the availability of cultural exportation statistics and information about funding options.

Examples of cooperation in the cultural exportation support network

Cooperation in the support network for cultural exportation was further intensified as a result of the internationalisation and employment project for young professionals, launched in 2010. The Government's first supplementary budget for 2010 allocated EUR 11.5 million from national Lottery proceeds to measures promoting the employment of young people. Of this sum, EUR 1.5 million will be used for the internationalisation and employment project for young professionals.

The project is coordinated by the Finnish Cultural and Academic Institutes, which has hired a fixed-term, part-time project manager for this purpose. The project will help to employ young culture and art professionals to work at, for example, arts information centres, as well as cultural and academic institutes and their cooperation partners around Finland. The project, running for 18 months, will employ around 70 people under the age of 35. It will also enhance the employers' cooperation to promote cultural exportation. In turn, the Finnish young professionals employed by the cooperation partners of institutes and arts information centres will create new networks around the world.

The first experiences point to the project probably achieving the targets set for it. Those employed so far have been unemployed young people or young people under the threat of losing their job. The employment process proceeds through three application phases, the first two of which took place in 2010. In all, around 700 people have taken part in the application rounds, and 67 of them have found a job. After the first two rounds, the discretionary government transfer per employer amounted to approximately EUR 22,435 and the duration of employment to 8.75 months. The project aims to provide those employed with better chances to carry on with their profession in the labour market.

Further information: www.kulttuurivienti.fi

The Consulate General of Finland in New York and the Finnish Cultural Institute in New York have jointly promoted Finnish culture in the USA in the field of visual arts. This work has specifically empha-

sised design and architecture. These fields have been promoted with major projects, such as the PLAYFUL event held in connection with the New Finnish Design export project at the New York Design Week, as well as the touring exhibition Eero Saarinen: Shaping the Future.

The cooperation document drawn up between the Consulate General and the Institute define cooperation to include concrete projects and continuous contact in the form of planning meetings and other communication. On a broader scope, the goal of cooperation has been to support the visibility of Finnish culture, increase awareness of Finnish architectural and design competence, as well as create new business opportunities for Finnish cultural players in the USA. Project planning and implementation has also taken into consideration the messages and goals defined in the USA public diplomacy country programme.

Overall, cooperation between the Consulate General and the Institute has been very good and flexible. Thanks to projects running for several years, cooperation has been honed and the distribution of work is clear. There have been no overlapping activities, and projects have been carried out extremely cost-effectively. During large projects, the parties have been in nearly daily contact, and communication has been open and fluent.

The Consulate General introduces the overall Finnish country brand philosophy, PR competence and promotion of commercial activities into projects, while the Institute offers solid expertise in the field of visual arts and extensive practical experience in arranging exhibitions. The Institute's more independent form of operating and its role as a local NGO lend flexibility to the production of major projects, for example, concerning payment arrangements.

Finpro made a considerable input into the preparations of the Design month, coordinated by the Finnish Cultural Institute in Madrid in 2009. Finpro's office in Madrid actively participated in overall planning and played a special role in the involvement of the business sector. The purpose was to present Finnish business competence in the form of processes.

Finpro Madrid later contacted Finnish companies that took part in the Design month, the goal being

to compile a report on export promotion measures, which Finpro had made agreements on with many of the companies involved. Finpro has assisted the Institute and nine of the country's universities in the creation of a European Diploma in Intercultural Competence (EDICC), helping them take the companies' perspective into account in the project.

Finpro and the Embassy of Finland in Madrid are also involved in preparations for an audiovisual exhibition tour project, especially from the perspective of business applications linked to it. Finpro, the Embassy and the Institute are jointly planning a project involving the export of Finnish education competence to Ibero-American countries.

The Cultural Institute in Madrid cooperates with Finpro on a daily basis. The Director of the Institute, the Ambassador and the Finpro Director meet at least once a month to develop joint cultural exportation projects.

Support system for promoting art and culture

The appropriations for art and culture have increased by EUR 70 million (or ca. 20%) in the Budget from 2007 (final accounts) to 2011 (budgeted). The increase in appropriations has been used to support all sectors of art and different areas of the cultural policy. The growth reflects the increasing importance of

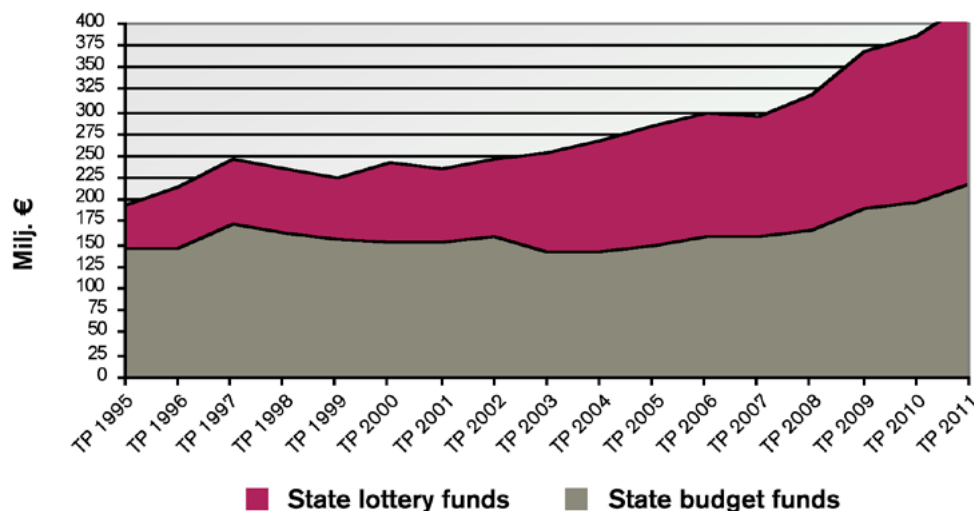
culture to the development of society and the creative economy.

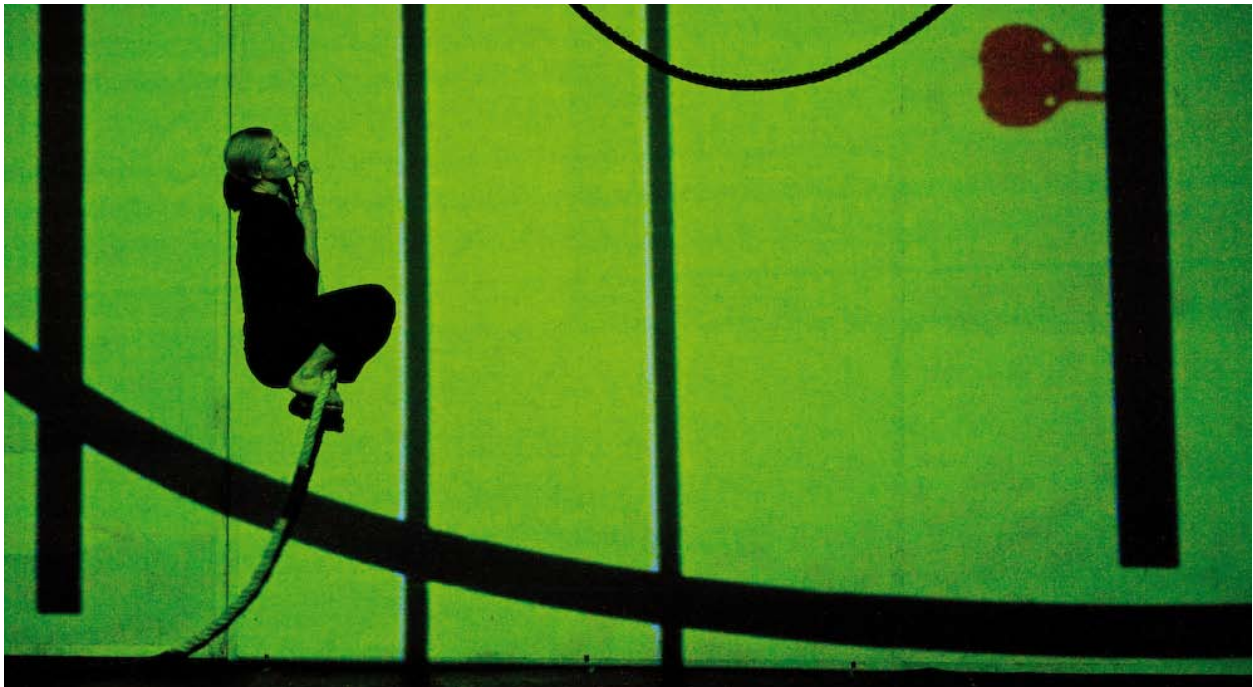
Education in art and culture supported by the state and municipalities, support from cultural institutes, as well as state support for artists guarantee the foundation for and development of Finnish culture. Having the prerequisites for creative work in place to secure the production of cultural products and services has made it possible to go for international demand and success.

The following examples describe the role that base funding has to the internationalisation of two fields that are very different in size: circus and cinema.

The international breakthrough of Finnish contemporary circus has coincided with the increase in public subsidies to the field and the circus exportation project. At the level of organisations, everything practically started from zero. In the 2004 Staying Power to Finnish Cultural Exports report, Finnish circus was found to be of high artistic quality, but suffering from random and lacking resources. The report recommended that the structures in the field be developed and the availability of funding be secured.

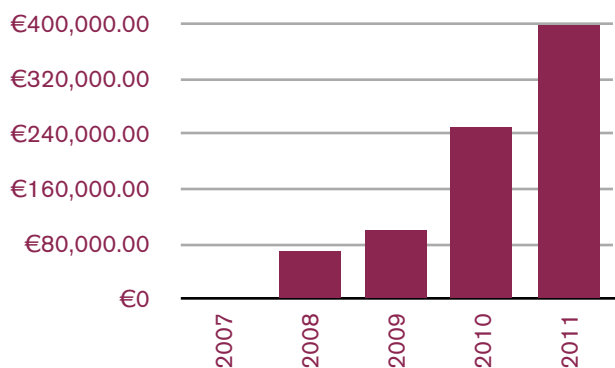
The institutional development of professional circus has largely taken place in the past five years. The organisations uniting the field are young. The first artistic groups were set up in the late 1990s: Cirko (Centre for Contemporary Circus) was established in 2004 and the Finnish Circus Information Centre in summer 2006.



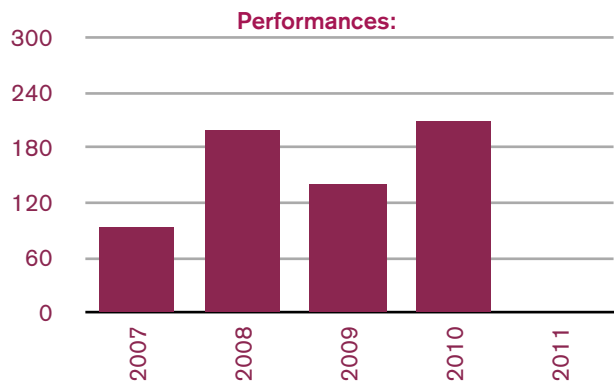


Ilona Jäntti: Muualla, photo by Chiara Contrino

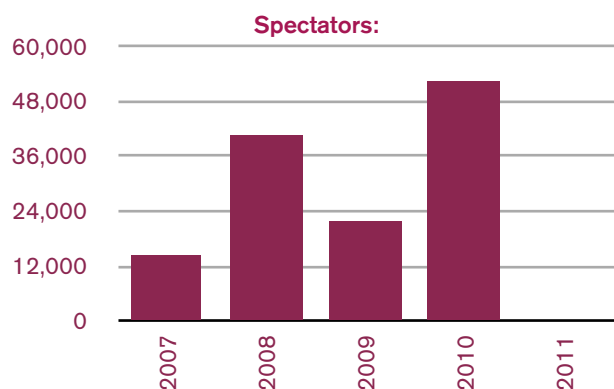
Increase in the operational funding for contemporary circus groups 2007–2011:



International performances of contemporary circus groups:



In other words, basic funding in the field has improved considerably, coinciding with the increase in the resources of the Circus Information Centre, a key export organisation in the field. The impact of the increased support is clearly seen in the trends in the number of international performances. Expanding operations lead to big pressures to increase basic funding: young, educated artists set up groups of their own, and the Finnish and international market areas grow annually.



The number of international performances has more than doubled since 2006, while the number of spectators has grown fourfold. The growth is based on high artistic quality, production competence, networking and dynamic overall development. The skills of circus artists, already visible in 2004, have been noted, and the level of quality has continued to rise.

To strengthen **cinematic and audiovisual culture**, support has been increased by 68% (nearly EUR 12,000,000) in all, which is more than ever before. The growth has boosted the versatility and quality of Finnish films. The budgets of full-length films have been increased by approximately EUR 100,000/film, which has enabled the number of shooting days to be increased.

Production and distribution support for Finnish cinema has risen from EUR 13.9 million in 2007 to EUR 21.1 million in 2010. In the same time period, the share of viewers watching Finnish films at theatres has gone from 20% to a record 27%. The inputs made into Finnish film production are not only visible in Finland but have also affected the internationalisation of film production and growth in cultural exportation. In 2007, thirteen full-length films were premiered, three of them being joint productions. In 2010, the number of Finnish film premieres was 21, five of which included international funding and an international joint producer.

The production support for documentaries has nearly doubled in the time period. The number of documentaries, however, has not increased: 23 documentaries were finished in 2007 and 24 in 2010. There were two joint productions in 2007 and five in 2010. More than anything, the increase in the number of joint do-

cumentary productions shows that the additional support for cinema has enabled projects to be developed and prepared more extensively. This has also led to the projects being of interest to a larger number of international funders and cooperation partners.

A broader international production basis ensures the film's distribution outside Finland. Examples of this include *Rare Exports*, directed by Jalmari Helander and produced by Cinet Oy, and *Napapiirin sankarit* (*Lapland Odyssey*), directed by Dome Karukoski and produced by Helsinki Film. *Rare Exports* began its international conquest at the Locarno international film festival, where it won the esteemed Variety award. The film has been screened in the USA, Germany, Great Britain and Australia. The screenings of *Lapland Odyssey*, in turn, began in early 2011 in France with 150 copies. The increased support for Finnish cinema has enabled the development of genres that appeal to international audiences. *Rare Exports* and *Lapland Odyssey* are good examples of this.

There are now better opportunities than ever before to work on different forms of expression. Thus, documentary cinema is of interest not only to Finnish viewers but also to large audiences abroad. *Miesten vuoro* (*Steam of Life*), directed by Joonas Berghäll and Mika Hotakainen, made history when it was chosen as Finland's nominee for the Academy Award for Best Foreign Language Film. Never before had Finnish nominators proposed a documentary award. *Steam of Life* was screened at 35 festivals in 2010 and it received eight international awards. The film is sold by the Canadian company Film Transit, which has offices in Montréal and New York.



"Viikko ennen vappua" is a Finnish short film.

Proposal for a cultural exportation promotion policy in the Government term of office 2011–2015

Vision

Many of the Government's and ministries' planning documents and programmes contain objectives that are directly or indirectly related to cultural exportation. These include the Government-approved national programme for the Europe 2020 strategy, the Government report on the future of culture, the report by the Committee for the Future of the Creative Economy and Culture appointed by the Ministry of Employment and the Economy and the Ministry of Education and Culture, the Cultural Policy Strategy 2020 prepared by the Ministry of Education and Culture, as well as the final report of the Country Brand Delegation appointed by the Ministry for Foreign Affairs.

The national programme for the Europe 2020 strategy – when discussing the prerequisites for growth and employment and reduction of the one-sidedness and centralisation of the production structure – states the following about cultural entrepreneurship, cultural exportation and the creative economy: *Conditions for cultural entrepreneurship will be improved and employment in the sector strengthened by the measures of the Development Programme for Business Growth and Internationalisation of Creative Sectors 2007–2013 and by the Creative Economy Strategy. Expertise services for creative sector entrepreneurs will be improved, the creation of new business models and forms of funding will be encouraged, and networked development of businesses over sector boundaries will be promoted. Opportunities in the sector will also be taken into account in innovation, entrepreneurship and employment policy by strengthening collaboration between ministries. Cultural exports will be developed and forms of support for culture made more flexible and incentivising.*

The Government report on the future of culture, in turn, states that: *“International goods production has transferred to countries of cheap manufacture. To maintain their competitiveness, industrialised countries must invest in knowledge and innovation activities and in service production.*

The culture and experience industry is boosted by Western values moving towards immaterial consumption. The economy of cultural industries must focus on developing the prerequisites for cultural entrepreneurship and cultural exportation, productisation of culture, creation of concepts, business competence and marketing. Self-employed people and small business entrepreneurs need joint structures for the promotion of marketing and business competence, such as managerial activities.”

In its statement on the report, the Parliamentary Education and Culture Committee found that: *“Culture plays an important role in the generation of creative ideas and innovation and in the strengthening of business activities based on them. The cultural industry policy is closely linked to the general economic and employment policy. The creative industries also exhibit a great deal of wide-ranging potential for the national economy. The globally growing leisure market offers real opportunities for diversifying the structure of the Finnish economy and exports through culture and service production. As for cultural exportation, the committee finds that: “... inputs must be made in the field of cultural exportation, for example, by focusing long-lasting policy measures and investments on the development of prerequisites in the field. It is particularly important to support the productisation, concept creation, business competence development and marketing of those involved in cultural exportation.”*

The Committee for the Future of the Creative Economy and Culture proposes the launch of a new

process that *“will result in Finland getting one of the world’s best systems for improving the operating conditions of the creative economy and cultural entrepreneurship. In the process, the current system, which is difficult and complex for companies, will be gradually clarified using a simpler model with two players.*

- – **UNO Action** generates funding for the needs of companies in the creative industry, simplifies the services and structures offered to companies and pilots new operating models for the creative economy and culture.
- – **UNO Policy**, which operates within and between ministries, ensures strategic guidance and coordination by replacing project-specific structures and participates in bold reform work.”

The Cultural Policy Strategy 2020 prepared by the Ministry of Education and Culture formulates the desired state of affairs for culture and the economy in the following way: *Culture is making a growing contribution to the national economy. The forms of financing for the production, distribution, marketing and sale of culture are diverse, and businesses and other operators in the field are able to make full use of them. Professionally strong and varied cultural sectors work on a solid economic basis and reinforce the creative economy.*

Copyright makes a strong contribution to the national economy and produces value added. Copyright benefits the whole value chain of cultural production, generating economic gain for authors, artists, producers, publishers, other rights-holders and distributors.

Cultural entrepreneurship and exportation have become an established part of the production and economy of culture. Finland is an interesting operational environment for foreign cultural actors.

As for the focal points of international activities,

the strategy states that: *In cultural exchange, the emphasis will be on direct cooperation between cultural actors instead of formal agreements and programmes.*

According to the final report of the Country Brand Delegation appointed by the Ministry for Foreign Affairs: *“The delegation wished to approach global problems from a solution-focused perspective so that culture and the economy, for example, are not regarded as separate areas, but are interwoven under the same themes. If we are to efficiently utilise our strengths, Finland as a whole must set its targets sufficiently high and involve everyone in the effort to achieve them.[...]Our goal is that by 2030, Finland as a country, Finnish companies as companies and the Finns as a nation are known for the fact that we are not afraid of challenges, no matter how strange they may sound, but can truly show our mettle when the situation looks impossible. Consider it solved! In this way, we will be developing Finland’s image in the only correct way: by making Finland, and the whole world, a better place to live.”*

Desired states of affair

In its internal work, the preparatory committee for cultural exportation has arrived at the same conclusions cited in the policy documents above. The actions proposed by the preparatory committee, which specify – and have already specified in the current programme period – these objectives, include concrete measures for achieving the goals. The committee’s proposed measures aim at ensuring the following conditions (desired states of affair) promoting cultural exportation:

- The Government's internal vision on the promotion of cultural exportation has become clearer and stronger following the implementation of the Government decision-in-principle on cultural exportation, the strategic and practical cooperation between ministries promoting cultural exportation, as well as between ministries and industries, has continued to deepen, and cooperation between regional players to promote cultural exportation is deeper.
- Cultural policy measures and the implementation of the national programme for the Europe 2020 strategy have contributed to diversifying the Finnish production and export structure and to increasing the share of Finnish products and services in the rapidly growing international markets for culture and the creative industries.
- Culture production exhibits higher value added and its importance to national economy has increased. The position in the value chain of companies and players in the cultural and creative industries has been strengthened by developing the intermediary structure and management of rights.
- Finland is increasingly better known around the world for its creative economy and culture. Culture plays an increasingly strong role as a part of the evolving Finland brand. Robust spearhead projects present new opportunities for other cultural exportation.
- Public measures, including financing for companies, are more flexible and offer as good a match as possible to the needs of companies and players in the field.

Measures

1) A development actor and a coordination structure between ministries will be established for the creative economy and cultural entrepreneurship based on the proposals made by the Committee for the Future of the Creative Economy and Culture appointed by the Minister of Economic Affairs, the Minister of Labour and the Minister of Culture

2) A Government decision-in-principle will be made on the promotion of cultural exportation to ensure the achievement of the objectives listed above.

3) Measures and forms of financing related to cultural exportation will be further developed, the goal being to alleviate and eliminate the practical and structural obstacles to cultural exportation identified in this report.

Measures	Implemented / proposed by the committee
- The measures used to promote cultural exportation are diversified to match the productisation, marketing and branding needs of entrepreneurs and other players in the sector.	- Subsidy for spearhead projects in cultural exportation 2006–, Ministry of Education and Culture - Subsidy for project preparation in cultural exportation 2009–, Ministry of Education and Culture - Luovimo, Finpro internationalisation programme for companies in the creative industries, financed by the Ministry of Employment and the Economy and the Ministry of Education and Culture, 2010–2011 - Tekes programmes, e.g., Tourism and Leisure Services 2006–2012
- Targeted measures are created to develop the intermediary structure and cultural service activities.	- Bridge builders project, part of the Development Programme for Business Growth and Internationalisation of the Creative Sectors 2009–2011 - Project aiming to employ young professionals in art and culture as intermediaries, Ministry of Education and Culture
- The chances of Finnish copyright holders to retain the rights to their products is supported.	- <i>Capital and other investments in companies and/or products to prevent the need to surrender rights in order to secure international distribution contracts etc.</i>
- Preparations are made for the EU structural fund period 2014–2020; the international dimension and coherence between EU policies are increased.	- <i>A development programme for cultural exportation and the creative industries in the new structural fund period.</i> - <i>Stronger links with development programmes and regional programmes focusing on employment, innovation policy and entrepreneurship.</i> - <i>Establishment of funds for the cultural and creative industries using structural fund assets.</i>
- Product development for cultural tourism will continue in accordance with the action programme confirmed for 2009–2013.	Support for cultural tourism product development 2009–, Ministry of Education and Culture

4) The impact and market entry of export projects will be emphasised by boosting the operating conditions of the sector's export promoters and by encouraging companies and players to engage in increasing cooperation:

Toimet	Toteutuneita / <i>työryhmän ehdottamia toimia</i>
- by offering special support to the coordinated participation of the sector's companies and players in the most important marketing and sales event and by raising subsidies for tours	- Subsidies for companies' joint export projects, Ministry of Employment and the Economy - Finland's cultural programme at the Shanghai World Expo 2010 - Export promotion trips by the Minister of Culture - Publication tour and showcase subsidy delegated to Musex by the Ministry of Education and Culture - Ministry of Education and Culture theatre export project to the Edinburgh Fringe festival 2010–2013
- by utilising international major events and developing cooperation between ministries, cities and industries to get major events to Finland and to participate in major events arranged in other countries	- Helsinki World Design Capital 2012 - Finland as the Guest of Honour at the Frankfurt Book Fair in 2014 - Letter of intent on the enhancement of the competitiveness of the greater Helsinki region, signed between the state and municipalities in the region
- by increasing support for international cultural cooperation to promote the international mobility, networking and market entry of players	- Transfer of cultural exchange subsidies from the Ministry of Education and Culture to the Arts council of Finland - Support system for international cooperation that takes the input-output ratio into account
- by improving the abilities of arts information centres, Finnish cultural institutes operating abroad, industry organisations and diplomatic missions to promote export and by supporting their collaboration	- Ministry of Education special support for cultural exportation projects of arts information centres and cultural institutes - TAIVEX project, part of the Development Programme for Business Growth and Internationalisation of the Creative Sectors 2009–2011 - Employment for young professionals in art and culture, Ministry of Education and Culture
- by boosting the status of culture and the creative industry in EU, Nordic and regional cooperation and by developing Northern Dimension cultural partnerships	- Finland's active role in the EU and in international cooperation to promote the creative economy and cultural exportation

5) The taxation and legislative operating environment is developed to strengthen domestic markets.

The measures described above are made concrete in the ministries' normal budget preparations, taking into account the framework for government expenditure, and in the context of inter-ministerial coordination. A Government decision-in-principle dealing with the development of cultural exportation will be prepared to steer Government decision-making.

Structure

The committee proposes the following structural solution for the promotion of cultural exportation.

The political guidance of cultural exportation promotion is based on the Government decision-in-principle on the promotion of cultural exportation.

Implementation of the decision-in-principle is steered by an inter-ministerial coordination body. It consists of a minister-led steering committee for the creative industry and cultural exportation and of an expert body including responsible officials in the ministries involved, as well as representatives of industry organisations and companies. Its task is to steer and coordinate the development of the creative economy and cultural exportation and entrepreneurship. Where possible, the coordination body will replace the numerous project-specific committees and corresponding bodies currently in place.

The structure of cultural exportation is developed as a part of the promotion of export and trade, taking into account the special nature of cultural products and services.

Interaction between the Ministry of Education and Culture and the cultural industries is enhanced by regularly arranging cooperation forums, once or twice a year, between the Ministry, industry organisations, as well as companies and players in the sector. They function as a platform for mutual dialogue and as a consultation and feedback channel for the promotion of cultural exportation. Interaction with other ministries promoting cultural exportation is also boosted.

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