Culture and the creative economy in Flanders, Belgium

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Executive summary

Flanders is a vibrant cultural and creative sector hub in the heart of Europe

Flanders is one of the wealthiest parts of Europe and home to impressive cultural heritage and a strong creative economy. Flanders has particular strengths in architecture, film and television, and creative arts and entertainment. The region also has significant strengths in creative higher education, with growing enrolment in creative courses from local universities and specialist art institutions. The Flemish government has implemented a rich and innovative set of policies to place cultural and creative sectors in the context of broader economic and social development strategies. This study highlights the performance of the sector, suggests opportunities for additional policy action, and shares the innovative policies and programmes that can inspire other places looking to use cultural and creative sectors as tools for local development.

Cultural and creative sectors (CCS) policy for Flanders is implemented towards actors in both the Flemish Region and the Flemish Community living in the Brussels-Capital Region

Flanders is part of the institutional landscape in Belgium with different layers of cultural and creative sector policy development. Belgium is a federal state made up of three Communities that concern linguistic groups (the Flemish Community, the French Community and the German-speaking Community) and three regions (the Brussels-Capital Region, the Flemish Region and the Walloon Region). The Flemish Region is situated in the north of Belgium, surrounding the Brussels-Capital Region. The Flemish Community lives in the Flemish Region and also in the Brussels-Capital Region. In 2022, the Flemish Region counted approximately 6.7 million inhabitants and the Brussels-Capital Region (which includes Flemish speakers) approximately 1.2 million. The Flemish Community is therefore estimated at more than 7.1 million for the purposes of this analysis. Cultural and creative sector (CCS) policy falls jointly under two different Flemish administrative departments and concerns both Community and Regional competences.

Flanders has a relatively large cultural and creative sector, but growth has lagged in recent years

Like most OECD countries, cultural and creative employment in Belgium is concentrated in the capital. Cultural and creative employment accounts for 8.8% of all employment in the Brussels-Capital Region and 3.7% in the Flemish Region (compared to EU27 average of 3.7%, 2021 data). Between 2014 and 2021, cultural and creative employment growth in the Brussels-Capital Region far outpaced EU average (26.8% vs 7.5%), but growth in the Flemish Region was more modest (6.8%). While growth rates in Antwerp were one of the highest in Belgium (29.2%), this high growth was offset by declines in Flemish

Brabant and West Flanders, where the number of people working in cultural and creative employment reduced by 17.5% and 11.5% respectively.

Cultural and creative businesses contribute a significant amount of GVA, but GVA growth has not kept pace with the rest of the business economy. The amount of GVA generated by CCS in Flanders had been growing in the decade preceding the COVID crisis. However, this growth has lagged the total business economy, meaning that the share of GVA attributed to CCS has actually declined from 3.8% in 2009 to 3.4% in 2019.

Business counts have also not grown substantially. The number of CCS businesses in the Flemish Region has declined by 0.16% between 2009 and 2019, and the proportion of CCS firms in the total business economy is below the OECD average (3.9% compared to 6.7% on average in the OECD in 2018). These findings suggest that focusing policy efforts on CCS business creation (e.g. through start-up support programmes) and helping CCS businesses in value generation (e.g. through internationalisation support) could be helpful in promoting future growth.

Flanders has several strengths in CCS that it could build on

Flanders has particular strengths in architecture and in film and television. Architectural activities is one of the largest CCS subsectors in the Flemish Region, in terms of both business counts and GVA generation. This subsector has a notable cluster in Hasselt, which policy could look to further reinforce (e.g., through targeted promotion campaigns). Policy could also look to reinforce links between the film and television production subsector, which is relatively geographically dispersed, and the programming and broadcasting sector, which is more concentrated in a few central locations (Brussels and Antwerp). For example, supporting networking and showcase events outside of the major cities could help support businesses in less central locations.

Creative arts and entertainment has also seen particularly high GVA growth over the past decade. The creative arts and entertainment sectors contributed the highest proportion of CCS GVA before the COVID pandemic (17.3% of total CCS GVA in the Flemish Region and 19.3% in the Brussels-Capital Region in 2018). GVA growth for this sector between 2009 and 2018 was at 8.6% in the Flemish Region and 5.2% in the Brussels-Capital Region (compared to overall CCS GVA growth of 2.25% and 1.75% respectively). Continued support to artists and performers, who were some of the worst hit by the COVID-19 pandemic, could help mitigate stagnation or decline of this subsector in the aftermath of the pandemic.

Rising levels of the self-employed in cultural and creative work present challenges that policy is working to address

Over half of those working in cultural and creative sectors in the Flemish Region are self-employed (compared to one third of EU average). Moreover, that proportion has been rising. This presents challenges, as CCS self-employed workers typically have less steady income streams and more precarious working conditions. To help account for the irregular nature of artistic work, Belgium offers tailored unemployment protection and benefits for artists, which has recently been updated to expand and simplify its coverage. Under these regulations, creative professionals (including technical and support staff) can access a “artwork” benefit, which provides regularised funding, and access to unemployment protection. Beneficiaries of these regulations can be fully self-employed, both employed and self-employed or those working in CCS as a second job. Coverage is also extended to those just starting their creative career. The Flemish government provides a wealth of information and support for CCS actors looking to access these benefits and protections, through the Cultuurloket online platform.

Flanders has a strong talent pipeline, supported by the growing role of university colleges in the creative higher education landscape

Enrolments in creative higher education courses in Flanders have been growing at a higher rate than enrolments overall, driven largely by increases in more practice-based courses. University college courses in creative subjects, which offer more practice-based learning, have seen strong growth over the past few years, as have enrolment numbers in schools of art. Policy could look to further promote the success of the creative higher education sector to international students to further attract talent to the region. Such efforts could focus on the specific strengths of university colleges as providers of more practice-based education, as well as on the specialised expertise that schools of art provide. Moreover, continued collaboration between the higher education sector and CCS business (for example the development of work placement schemes), could help in retaining talent in the local area when students graduate.

In line with international trends, it appears that government spending on culture is shifting from direct provision towards supporting private sector engagement

Government spending on cultural services has declined in Flanders over the past decade. In Belgium over 90% of total government spending on cultural services comes from subnational governments, the highest proportion in the OECD. Across all sub-national governments in Belgium however, spending on cultural services as a proportion of all government spending has declined between 2011 and 2019. This is a trend across the OECD as governments move away from direct grant-based funding towards encouraging more investment from the private sector. This appears to be the case with Flanders, as a wide range of government support is targeted towards greater involvement of the private sector in financing CCS. Initiatives such as culture credits are examples of good practice in encouraging private sector investment in CCS. However, continued public sector support for the not-for-profit parts of CCS will be important to maintain their sustainability in the aftermath of COVID-19.

The Flemish government is also implementing a range of direct supports to promote innovation in CCS. In 2017, the Flemish government laid the foundations for a concrete and effective policy to stimulate cultural entrepreneurship with a concept note which outlined a set of business instruments tailored to the culture sector in order to make the broad culture sector more independent and enterprising. The additional resources for culture, referred to in the concept note, are supplementary, rather than alternative, to the classic subsidy system. For example, the Flemish government has offered various subsidies to support innovation in CCS, including one-off grants to support business model innovation and subsidies to support innovative collaboration projects between CCS and non-CCS businesses.

Given the complex institutional context of Flanders, further developing awareness of the different sources of support available to CCS actors could be beneficial

Institutional support for CCS comes from different ministries and different layers of government. Moreover, there are a wide array of sub-sectoral bodies, institutes, agencies, organisations and private sector actors operating within the policy landscape for CCS. While tools such as the *Subsidy Guide* developed by the Department of Culture, Youth and Media (CJM) is hugely beneficial in supporting CCS actors in navigating the funding landscape, similar tools outlining non-financial assistance (such as business support, networking, etc.) could be developed to showcase the range of support and opportunities available to Flemish CCS businesses.

Museums in Flanders require additional support in achieving their economic and social impact ambitions

Museums in Flanders are engaging in an increasing amount of activity to support wider impact goals. This includes additional activities to engage with local communities, to support tourism and business development, to foster social inclusion, and to promote health and well-being. Additionally, museums are adjusting to increased digitalisation, developing new tools and digital approaches that meet the requirements of today's society. This work requires substantial time and money as well as new capabilities.

Helping museums increase their revenue streams could provide a way to sustain this increased activity in the medium and long term. While museums would welcome an increase in direct support (e.g. grants and subsidies), alternative forms of support to help diversify and expand additional revenue streams could aid in the long-term financial stability of the sector. The Digital Leadership in the Cultural Sector initiative, supported by the Flemish government, is a good example of such support, as it helps creative professionals to develop digital capabilities which could lead to new income streams, or more efficient use of existing resources. Offering further guidance, training support and good practices around alternative revenue generation could be a future direction to consider for museum policy.

Co-designing tools for impact measurement and evaluation could help offer direction for the museum sector. Currently measuring and evaluating the impact that museums make is limited. Many museums rely primarily on visitor number data to support their monitoring and evaluation efforts. Developing tools and methods to help museums assess the broader impact they have (including through more qualitative data) would greatly aid in boosting impact.

1 Introduction

About Flanders, Belgium

Flanders is geographically situated at the centre of Europe and has a rich cultural history. Belgium is a federal state made up of three Communities (the Flemish Community, the French Community and the German speaking Community) and three regions (the Brussels-Capital Region, the Flemish Region and the Walloon Region) (see Box 1.1). The Flemish Region is situated in the north of Belgium, with the Brussels-Capital Region geographically surrounded by the Region. The Flemish Community lives in the Flanders Region and also in the Brussels-Capital Region.

Flanders has a large but mostly aging population. In 2022, the Flemish Region counted approximately 6.7 million inhabitants and the Brussels-Capital Region around 1.2 million. Based on the Flemish government's "Brussels standard", whereby one-third of the inhabitants of the Brussels-Capital Region are considered a potential target group of Flemish policy, the Flemish Community had more than 7.1 million members at the beginning of 2022 (Vlaanderen, 2022[1]). Population growth in the Flemish Region is higher than EU27 average, registering 2.9% growth between 2016 and 2020, compared with EU27 average of 0.7% (Vlaanderen, 2022[1]). One in five of the population in the Flemish Region is over 65 years old (similar to the EU27 average) but the number of 18-24 year olds in the Flemish Region is noticeably smaller than the number of 58-64 year olds (Vlaanderen, 2022[2]). This means that there is likely to be a decline in the working age population in the coming years. However, the Brussels-Capital Region has a far younger population, with only around 13% of the population aged 65 and over (compared to EU27 average of around 20%).

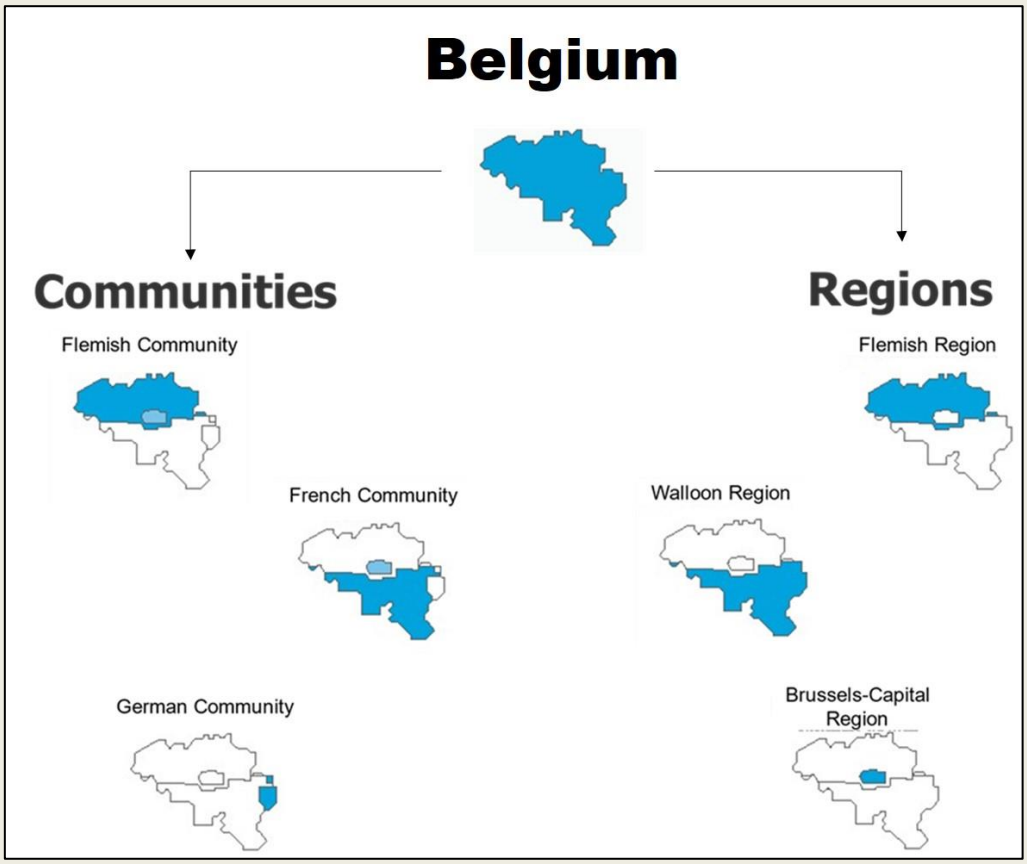
The Flemish Region has high employment rates, though employment in the Brussels-Capital Region is below EU27 average. In 2021, the employment rate in the Flemish Region (75.3%) was the highest of the three Belgium Regions and was higher than the EU27 average (73.1%). In the Brussels-Capital Region employment rate was at 62.2% in 2021. Similarly, in 2021 the unemployment rate in the Flemish Region (3.9%) was lower than EU27 average (7.1%) and the unemployment rate in the Brussels-Capital Region (12.5%) was higher (Vlaanderen, 2022[3]).

Flanders has a high GDP per capita, and GVA took a smaller hit over the pandemic period than many other EU27 regions. GDP per capita in the Flemish Region is the second highest, compared with EU27 countries at the national level. GDP per capita stood at roughly EUR 43 340 in the Flemish Region and EUR 71 183 in the Brussels-Capital Region (Vlaanderen, 2022[4]). These are both far higher than the EU27 average of EUR 34 100. GDP per capita has recovered quickly from the COVID-19 pandemic period and 2021 figures were already higher than in 2019. GVA growth in the Flanders Region had seen a steady increase before the pandemic and only declined by 5.1% between 2019 and 2020, a smaller decrease than the EU27 average of 5.9% (Eurostat, 2022[5]). However, real economic growth has declined from its 2021 peak and is predicted to decline further in 2023 as the impact of Russia's war of aggression against Ukraine and rising inflation hamper further recovery (Vlaanderen, 2022[6]). Flanders is an export and knowledge region; in the latest Regional Innovation Scoreboard (2021), Flanders is characterised as an "innovation leader" with an R&D intensity of 3.35% in 2019.

Box 1.1. Belgium's federal structure

Belgium has a complex structure of overlapping regions and communities. Starting in the 1970s and through six state reforms, Belgium evolved from a unitary to a federal state being divided into regions and communities – a division relating on the one hand to a cultural reality (the language) and on the other to the pursuit of economic autonomy – and where political-institutional competences are assigned to different administrative levels on the basis of a complex system of balancing powers. This has resulted in three communities (the Flemish Community, the French Community and the German-speaking Community) that correspond to population groups, and three regions (the Flemish Region, the Brussels-Capital Region and the Walloon Region), founded in 1980, which have their own political and administrative policy structures (parliaments and governments) with specifically allocated competences. In addition, a federal policy structure includes a federal government, a chamber of representatives and senate. Mechanisms and political-institutional bodies have been developed to ensure the retention of community matters in the Brussels-Capital Region.

Figure 1.1. Communities and Regions in Belgium



Cultural and creative sector (CCS) policy in Flanders

Cultural policy in Belgium has evolved since the first formation of cultural/linguistic communities in the 1970s. With the state reform of 1980, the domain of culture was completely transferred to the communities, and the first Minister of Culture in the Flemish Community Government was appointed in 1981. The economics domain was (largely) transferred to the regions and, also in 1981, a first ministerial portfolio for economy was assigned in Flanders. In other words, Flanders has had an autonomous cultural policy for more than 40 years (distinct from the French or German-speaking cultural policy in Belgium), with its own regulations and an emphasis on a number of factors: local policy, democratisation, participation, social aspects of cultural policy, heritage, professionalisation, and so on.

A raft of legislation in the early 2000s marked a further shift in the cultural policy of Flanders. Until the late 1990s, support measures were still scattered and fragmented. From the 2000s onwards, a more broad-based policy was pursued that would address and gradually reorganise the cultural domain through a number of decrees. This included policies for the professional arts (the Arts Decree, which replaced discipline-specific regulations), cultural heritage (the Cultural Heritage Decree), and socio-cultural work (the Decree Socio-Cultural Work for Adults). Emphasis was also placed on participation: more participants, more participation of minority groups, and more co-operation between the different policy levels (regional, provincial, local). Over the past two decades, successive ministers have focused their policies on the reorganisation of financial resources, professionalisation, the development of a sustainable cultural policy with a more diverse workforce, scale enlargement and digital transformation.

An important aspect of this new emphasis was the consolidation of key institutions to support cultural and creative businesses and entrepreneurship. Before 2000, Flanders had various institutions (e.g., Flanders Design, Flanders Fashion Institute, etc.) whose aim was to support specific subsectors within CCS. An important development was the establishment of Flanders District of Creativity (Flanders DC) in 2004, which was explicitly tasked with supporting the creative industry more broadly. Since then, cultural and creative sectors (CCS) have been seen as an important part of the innovation economy. For example, the Flemish Government has initiated studies, agencies have been set up to support companies, and many other initiatives were put in place to support CCS entrepreneurs and organisations.

Capturing data on CCS in Flanders

CCS policy for Flanders is implemented towards actors in both the Flemish Region and the Flemish Community living in the Brussels-Capital Region. Investigating the value and impact of cultural and creative sectors in Flanders means that attention must be focused on companies, organisations and institutions that are covered by Flemish policy areas. However, while some data are available at the Community level, other data (principally business count, employment and economic contribution data) are only available at the Regional level. This makes it challenging to capture data on CCS organisations and institutions that are located in the Brussels-Capital Region, but which nevertheless belong to the Flemish Community and contribute to the Flemish policy and financing context, as the identification of 'Flemish' organisations or companies in the Brussels-Capital Region is legally not possible. Consequently, this report primarily presents data on both the Flanders Region and the Brussels-Capital Region separately, as well as some estimates of Flemish CCS businesses in the Flanders region (see Box 3.1).

Another problem concerns the precise definition of the cultural and creative sectors. There are no general mapping studies of the economic contribution of CCS in Belgium and therefore no official statistical definition at the national level. The past two decades have seen several scientifically substantiated studies on this subject focused on separate sub-regions (e.g. (Van Andel and Schramme, 2015[7]; Lazzaro and Lowies, 2015[8]; Mauri, Vlegels and Ysebaert, 2018[9])) but each uses a slightly different definition. The Flemish Administration EWI, Flanders DC, and the Flemish Agency for Innovation and Entrepreneurship

(VLAIO), has recently made available online analysis and data regarding the creative and cultural sectors in Flanders using its own definition (EWI, VLAIO and Flanders DC, 2022[10]). However, this definition is not easily comparable with other countries.

The present study follows the Eurostat definition of CCS, used by the OECD, to enable comparisons to be made to other regions and countries. However, the differences between, for example, the macroeconomic aggregates of the present study and the figures on the VLAIO website are considerable, because the Eurostat classification contains considerably fewer codes (or sectors) than VLAIO's (see Box 3.1). For example, the VLAIO classification includes some manufacturing of clothing (as part of the fashion sector), whereas the Eurostat definition does not.

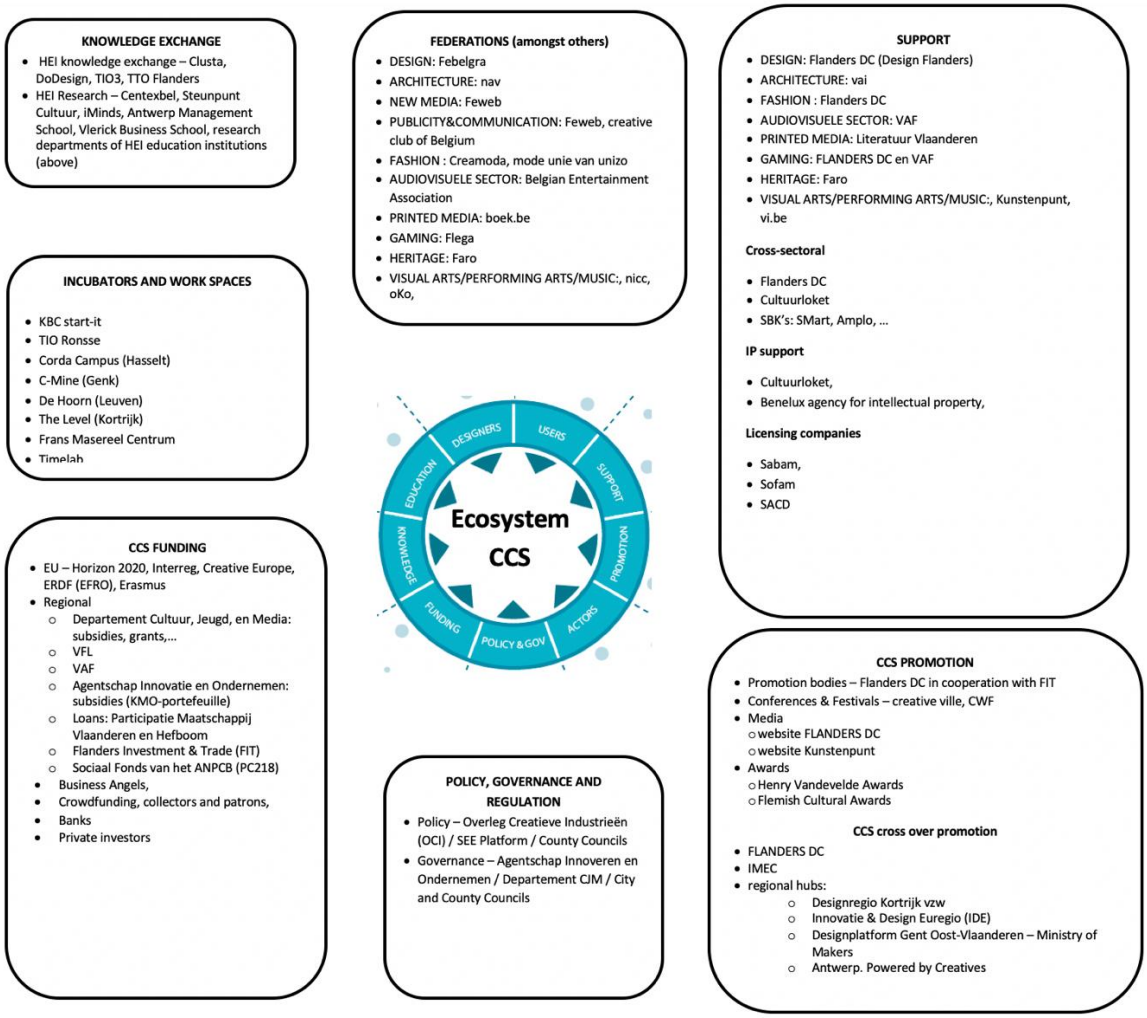
2 Government support for cultural and creative sectors

The institutional context of CCS in Flanders

CCS policy in Flanders is characterised by a complex institutional environment. Cultural and creative sector (CCS) policy falls jointly under two different Flemish administrative departments and concerns both Community and Regional competences. This makes the policy context and the associated ecosystem of administrative departments, institutions, agencies, and support and financing instruments quite complex. Under the current Flemish political legislature (2019-2024), two ministers are responsible for specific parts of the CCS ecosystem: the Flemish Minister for Foreign Policy, Culture, Digitization and Facilities (also the current Minister-President of the Flemish Government), and the Minister for Economy, Innovation, Work, Social Economy and Agriculture. Two administrative departments fall under their responsibility: the Department of Culture, Youth and Media (CJM), and the Department of Economy, Science and Innovation (EWI).

The CJM and the EWI themselves sit within an ecosystem of diverse public and private actors (Figure 2.1). A number of agencies that implement sectoral regulations (primarily government decrees) and interface with other public and private actors operating in the sector, fall under the purview of these two departments. The governance of the sectors and its articulation into regional and local governments, government agencies and public-private partnerships, as well as funding mechanisms for cultural initiatives, are implemented through the application of government decrees related to the sector.

Figure 2.1. The Flemish CCS Ecosystem



Source: Department CJM

The CJM Department is responsible for the organisation and (financial) support of the wider cultural sector (culture is a Community matter). The following decrees are regulatory in this regard (the list is not exhaustive):

- *Bovenlokaal Cultuurdecreet* (2016): the **"supralocal cultural decree"**, which aims to develop, stimulate and optimise a qualitative, sustainable, diverse and integrated supralocal cultural activity
- *Amateurkunstendecreet* (2000/2021): the **"amateur arts decree"**, which organises and supports the Flemish sector of the amateur arts
- *Circusdecreet* (2008/2019): the **"circus decree"**, which regulates the circus sector
- *Cultureelerfgoeddecreet* (2017/2021)): the **"cultural heritage decree"**, which is the most important instrument of the Flemish Government for supporting cultural heritage activities in Flanders and the Dutch-speaking organisations in Brussels
- *Kunstendecreet* (2013/2021): the **"arts decree"**, which regulates the organisation and the funding of the arts sector

- *Sociaal-cultureel volwassenwerk decreet* (2017): the **"socio-cultural adult work decree"**, which regulates all aspects with regard to the sector of socio-cultural adult work
- *Participatiedecreet* (2008): the **"participation decree"**, which aims to support, enrich and strengthen participation in cultural, youth and sports activities

The various decrees have different financing mechanisms. This includes allocating financing on the basis of projects, structural funding or "operating costs" as well as some provision of infrastructure subsidies (see below section). To find out about the different types of funding or grants that can be applied for, the CJM Department has developed a handy tool, the online *Subsidy Guide* ("Subsidiezoeker" and "Subsidiewijzer"). The tool can be used by individuals, organisations and local authorities.

The EWI Department, through its agencies, is responsible for the (financial) support of entrepreneurs and companies (economy is a Regional matter). There are no economic decrees in Flanders aimed specifically at the creative sector. The sector is supported both through measures that apply to *all* economic sectors, and through specific measures tailored exclusively to the creative sector. Companies and entrepreneurs seeking financing can visit the websites of the following agencies, which fall under the EWI Department: the financing guide of the agency Flanders DC and the subsidy database of the agency VLAIO (Flemish Agency for Innovation and Entrepreneurship).

Direct and indirect support for CCS

Direct support for CCS is offered primarily through the various decrees concerning specific CCS subsectors. Grants and subsidies are offered to qualifying not-for-profit organisations, groups and artists in a range of different sectors and for a range of different type of activates. For example:

- operating grants for museums, cultural archive institutions and heritage libraries that carry out the basic tasks of cultural heritage activities
- operating subsidies (contribution to the wage and operating costs) for intangible cultural heritage organisations
- operating subsidies for arts organisations (including visual arts, audiovisual arts and photography; performing arts; music; architecture and design; and transdisciplinary and cross-sector arts)
- project grants for artists, artworks and art organisations (including those working in visual arts, audiovisual arts and photography; performing arts; music; architecture and design; and transdisciplinary and cross-sector arts)
- project grants for international, national and supra-local cultural heritage projects
- project grants for creation and distribution of circus productions
- project subsidies for the organisation of a circus festival

Direct support is also offered to CCS businesses and professionals to support innovation. For example, the Innovation Mechanism, launched by the CJM, offers a one-off fixed grant for organisations and individuals working in CCS to innovate their business model. Supported by a total budget of EUR 5 million, organisations can apply for a grant of EUR 7 500 and individual professionals can apply for a grant of EUR 2 750 to cover the costs of devising and implementing a business model innovation (Vlaanderen, 2023[11]). The CMJ has also recently launched a call for funding for innovative partner projects, to support CCS organisations entering into collaborations with organisations from other sectors. The subsidy supports projects of up to three years duration with up to EUR 80 000 in funding per project (Vlaanderen, 2023[12]).

Indirect support is offered through tax incentives for creators and investors. The Tax Shelter is a tax benefit that consists of tax exemption for Belgian or foreign companies established in Belgium if they invest in European audiovisual works or performing arts. Tax shelters are available for producers and

investors in audiovisual works (including a short and full-length films, animation and documentaries; and television series) and for performing arts (theatre, circus, street theatre, opera, classical music, dance and musical theatre). While these incentives are offered at the federal level, recognition of works for the shelter is made through the Flemish government.

Flanders has also developed its role as an intermediary in garnering support from the private sector for CCS. For example, the "FinMix trajectory" (VLAIO) is an initiative open to small, medium and large companies, both (potential) start-ups and ambitious growers, who are looking for alternative financing for their plans. They are given the opportunity to pitch their plan to a panel of financing experts, who assess the business and financial plan and advise on the most appropriate financing mix. The panel is composed of representatives from private banks, public and private venture capital providers, BAN Vlaanderen and crowdfunding platforms. Flanders has also partnered with the bank Hefboom to provide micro credit and business support to CCS (see Box 2.1).

Box 2.1. Cultuurloket: combining financial support with business and legal advice for CCS business

In 2018, the Flemish Government launched a public-private collaboration with Hefboom, a cooperative serving as an intermediary between investors and professional initiatives from the social and sustainable economy. This collaboration was to start a "cultural credits" financing initiative called "Cultuurkrediet."

Cultuurkrediet aims to provide greater support for professionals in the cultural sector, including facilitating access to finance and providing support through counselling and training opportunities. Through the Cultuurkrediet partnership, creatives can apply for a loan with Hefboom for a maximum amount of EUR 100k with interest rates varying from 0-3%. These loans are given without the need for the applicant to put up collateral. During the COVID-19 pandemic, these loans became even more flexible, offering temporary interest-free loans. The Flemish Department of Culture provides two-thirds of the funding via the Guarantee Fund, with the remaining third of the funding provided by Hefboom.

Cultuurloket also works to provide free first line business and legal advice for individuals and enterprises in the cultural sector. Along with this guidance is included vocational training, personal coaching and advice. As of February 2021, the Cultuurloket initiative has: hosted a website and knowledge bank that welcomes 250 000 visitors a year; made available 75 training sessions a year to help support creatives, receiving 5 634 attendees in total; as well as 5 893 consultancies over the phone in 2020; 816 one-to-one consultancies organised in Brussels as well as 10 cities in Flanders; and 124 process counselling sessions, which include guidance on how to structure and finance a professional project or the career of a cultural and creative worker and/or organisation.

Source: OECD (2021[13]), "Back in business: SME support ecosystems for cultural and creative sectors", Maarten Quaghebeur, Cultuurloket, Belgium and Piet Callens, Flanders, Heftboom, Belgium; Cultuurloket (2021[14]), *Homepage*, Flemish Government Department of Culture, https://www.cultuurloket.be/ (accessed on 1 November 2021)

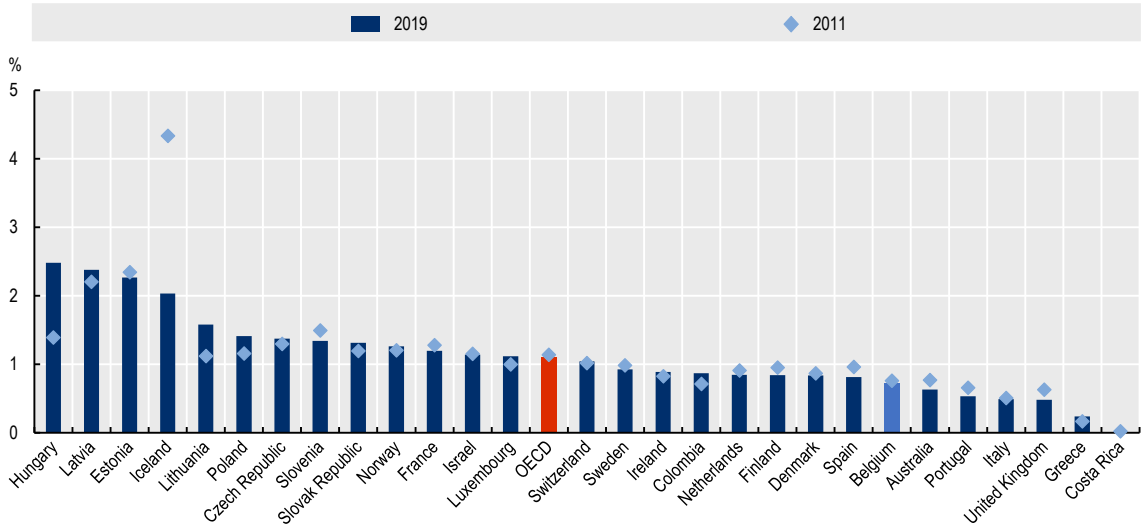
Government spending on CCS

Total government spending on cultural services in Belgium is below OECD average and has remained relatively stagnant since 2011. In 2019, 0.7% of total government expenditure was made on cultural services in Belgium (see Annex A for what is included in cultural services), slightly below the OECD average of 1.1% (Figure 2.2). Moreover, while government spending on cultural services has grown in both

absolute and real terms, the proportion of government spending on cultural services was only 0.04 percentage points higher in 2019 than in 2011.

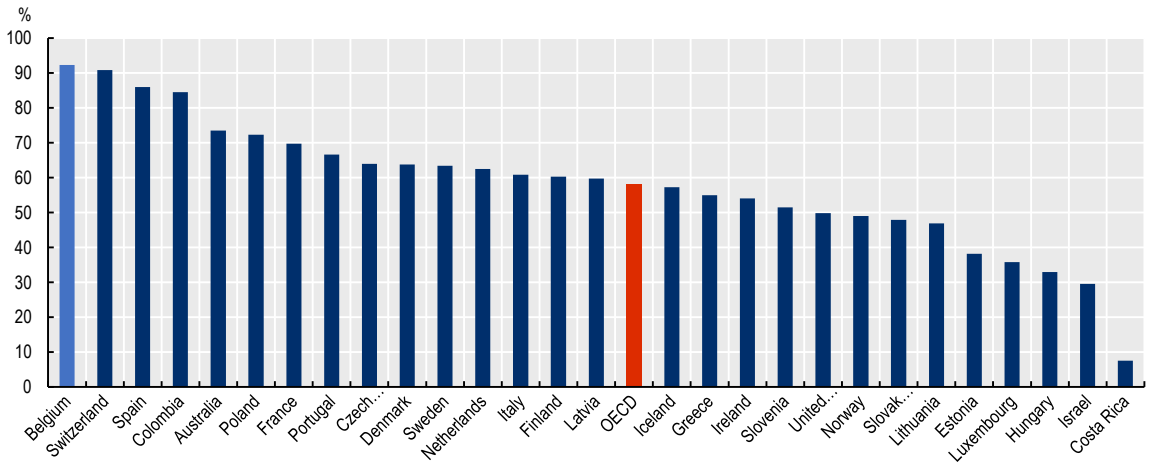
The vast majority of government spending on cultural services in Belgium comes from local government. Over 90% of total government spending on cultural services comes from subnational governments in Belgium, the highest proportion in the OECD (Figure 2.3). This demonstrates the important role that the Flemish government has in directing CCS policy.

Figure 2.2. Cultural services as a share of total government spending, 2011 and 2019



Note: Data for Israel in 2011 refers to 2013, data for Costa Rica in 2019 refers to 2017, and data for Costa Rica in 2011 refers to 2012.
Source: OECD (2022[13]), *National Accounts Statistics - Government expenditure by function (COFOG)*, http://dx.doi.org/10.1787/na-data-en.

Figure 2.3. Subnational government spending on cultural services as a share of total spending on cultural services, 2019

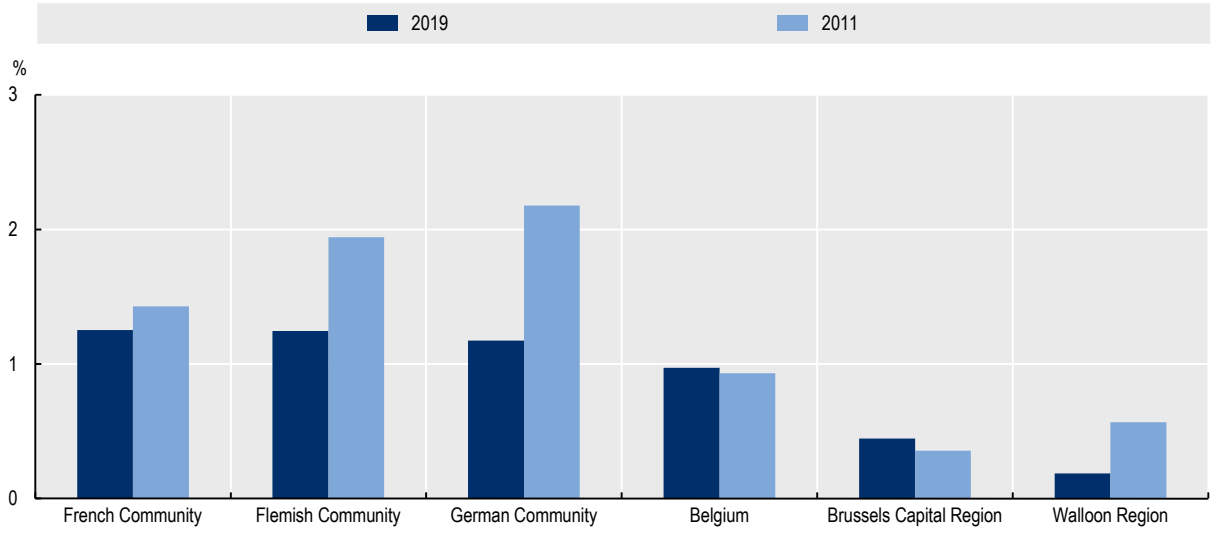


Note: Data for Costa Rica is for 2017.
Source: OECD (2022[13]), *National Accounts Statistics - Government expenditure by function (COFOG)*, http://dx.doi.org/10.1787/na-data-en.

At the subnational level, we see significant decreases in the proportion of government spending attributed to cultural services over the past decade. In 2019 the Flemish Community government spend slightly under 2% of spending on cultural services (Figure 2.4). Across all local governments in Belgium however, spending on cultural services as a proportion of all government spending has declined between 2011 and 2019. In the Flemish Community, the proportion has declined by 0.7 percentage points, slightly lower than the 1.0 percentage point decrease in the German Community but higher than the 0.2 percentage point decline in the French Community.

Figure 2.4. Cultural services as a share of local government spending across Belgian Communities and Regions

2011 and 2019



Source: National Bank of Belgium Online Statistics

There are indications that the local budget for culture in Flanders is continuing to decline. According to the general figures, published on the Flemish Government's website, the budget for the policy area "Culture, Youth and Media" for 2021 represented 2.64% of the entire Flemish budget for 2021, dropping to 2.53% in 2022 and then falling further to 2.48% in 2023 (vlaanderen, 2023[14]). As the recovery period and the cost-of-living crisis across much of Europe continues to put pressure on government budgets, a fall in government spending on culture may also occur in other places in the OECD.

Policy considerations

In line with international trends, it appears that government spending on culture in Flanders is shifting from direct provision towards more intermediation with the private sector

Government spending on cultural services has reduced in Flanders over the past decade. This is a trend we see across the OECD as government move away from direct grant-based funding towards encouraging more investment from the private sector (OECD, 2022[15]). This appears to be the case with Flanders, as we see a wide range of government support targeted towards greater involvement of the

private sector in financing CCS. For example, initiatives such as culture credits are exemplars of good practice in encouraging private sector investment in CCS.

Many CCS actors rely on a mix of public and private funding revenues. Analysis suggests that for the average Arts Decree organisation, Flemish subsidies make up 37% of their total revenue (Kunsten, 2021[16]). Given the declining government spend on culture, continued public sector support for CCS (especially the not-for-profit parts of CCS) will be important to maintain their sustainability in the COVID-19 recovery.

Given the complex institutional context of Flanders, strengthening linkages across the ecosystem is encouraged

Institutional support for CCS comes from different ministries and different layers of government. Moreover, there are a wide array of subsectoral bodies, institutes, agencies, organisations and private sector actors operating within the policy landscape for CCS. While tools such as the CJM Department's *Subsidy Guide* is hugely beneficial in supporting CCS actors to navigate the funding landscape, similar tools outlining non-financial assistance (such as business support, networking, etc.) could be developed to showcase the range of support and opportunities available to Flemish CCS businesses.

3 Business and entrepreneurship in cultural and creative sectors

Box 3.1. Business counts: what's included?

Defining cultural and creative sectors

To aid international comparison, this report follows the Eurostat definition of cultural and creative sectors (Eurostat, 2018[17])**.** The full list of industry subsectors included in analysis of CCS can be found in Table A A.1. Comparing this definition with other work on the creative and cultural sectors in the Flemish Region and the Brussels-Capital Region demonstrates the difficulty in measuring the impact of CCS without a common definition. For example, where the Eurostat definition translates to 58 granular areas of economic activity (NACE codes), the study by Van Andel and Schramme (2015[7]) uses 78 NACE codes, Mauri et al. (2018[9]) uses 86 NACE codes and the EWI /VLAIO (2022[10]) uses 110 NACE codes. This means that the figures reported in this report are likely to show a smaller economic footprint for CCS firms than other studies, as the definition used is narrower.

Defining what constitutes Flemish CCS

To capture the CCS of Flanders there are three scenarios. The lowest figure is that of the Flemish Region itself, not including the Dutch-speaking community in the Brussels-Capital Region. To incorporate estimates of Flemish CCS in the Brussels-Capital Region, estimates must be made as to the proportion of business which can be attributed to this group. Such estimates are difficult to make, especially considering there is no data available on the presence of Dutch-speaking people in the Brussels-Capital Region, as language counts are legally forbidden. Instead, this report refers to the budgetary efforts of the Flemish government that reserves 5% of its budget for community, i.e. person-related, issues such as on education, formation, culture including youth and sports, well-being, urban issues, integration, communication and media. Isolating the budgets on culture and communication (both included in the Eurostat definition of CCS), the Flemish budget effort (in 2010) for Brussels amounted to 6.53%. The aim, however, of this budgetary effort is to reach out to 30% of the inhabitants of the Brussels-Capital Region. Due to the absence of exact data the report offers these two scenarios (Flanders+ and Flanders++) as rough estimates to capture the weight of CCS in the Brussels-Capital Region. Thus, the report presents three different estimations of Flemish CCS businesses:

- The Flemish Region itself
- Flanders+ where 6.53% of the Brussels-Capital Region total is added to that of the Flemish Region
- Flanders++ where 30% of the Brussels-Capital Region total is added to the Flemish Region

Sources: Eurostat (2018[17]) , *Guide to Eurostat culture statistics; Van Andel and Schramme* (2015[7]), *Creatieve industrieën in Vlaanderen. Mapping en bedrijfseconomische analyse, availible at* https://www.flandersdc.be/uploads/media/5899bb6261131/58c66c8a87b25.pdf; Mauri, Vlegels and Ysebaert (2018[9]), *The cultural and creative economy in Brussels-Capital Region*, availible at https://journals.openedition.org/brussels/1721; EWI, VLAIO and Flanders DC (2022[10]) *https://creatievesector.be/*.

Business counts in cultural and creative sectors

The number of CCS businesses in Flanders is high, but has not grown substantially since 2009. The number of CCS businesses across both the Flemish Region and the Brussels-Capital Region have followed similar trends over the past decade, with counts generally declining in the years immediately following the global financial crisis, but beginning to rise in 2015 and 2016 (Table 3.1). CCS businesses in the Brussels-Capital Region saw greater variation in annual change (indicated by a higher coefficient of variation (CV)). Overall, despite slight growth in the number of CCS businesses in the Brussels-Capital

Region between 2009 and 2019 (0.6%), Flemish CCS business counts have slightly declined over this period (-0.16% in the Flemish Region, -0.14% for Flanders+ and -0.08% for Flanders++).

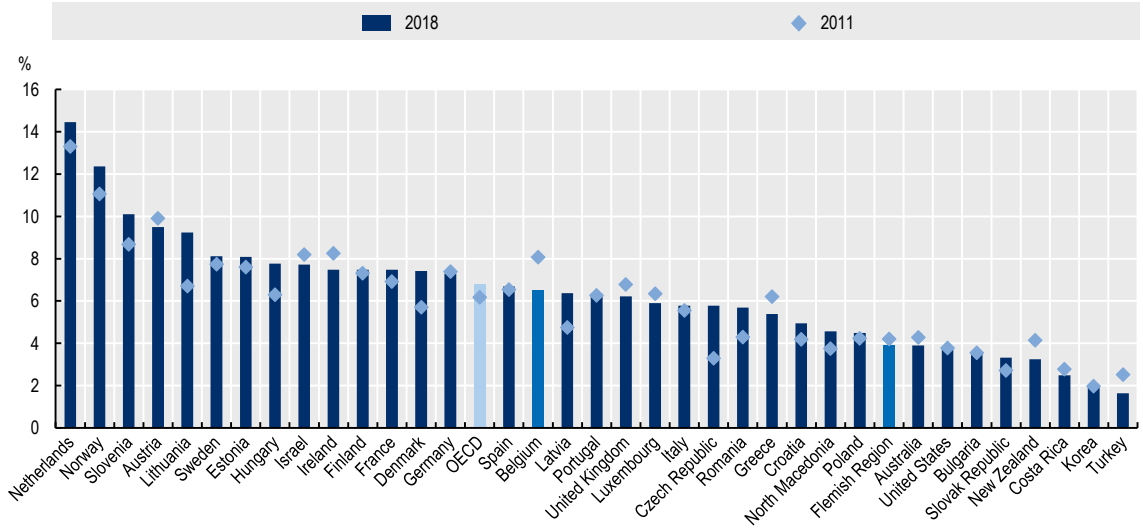
Table 3.1. Number of establishments in cultural and creative sectors

Year	Brussels -Capital Region	Annual change (in %)	Flemish Region (FLR)	Annual change (in %)	Flanders+	Annual change (in %)	Flanders++	Annual change (in %)
2009	1952		5154		5281		5740	
2010	1905	-2.41	5046	-2.10	5170	-2.10	5618	-2.13
2011	1890	-0.79	4996	-0.99	5119	-0.99	5563	-0.98
2012	1917	1.43	4917	-1.58	5042	-1.50	5492	-1.28
2013	1904	-0.68	4879	-0.77	5003	-0.77	5450	-0.76
2014	1902	-0.11	4775	-2.13	4899	-2.08	5346	-1.91
2015	1920	0.95	4745	-0.63	4870	-0.59	5321	-0.47
2016	1954	1.77	4795	1.05	4923	1.09	5381	1.13
2017	1956	0.10	4894	2.06	5022	2.01	5481	1.86
2018	2030	3.78	4939	0.92	5072	1.00	5548	1.22
2019	2075	2.22	5071	2.67	5206	2.64	5694	2.63
CV	2.92		2.57		2.53		2.42	
CAGR	0.61		-0.16		-0.14		-0.08	

Source: OECD calculations on RSZ, 2021 (second quarter of the year)
Notes: The collected data are based on the so-called "decentralised" data of the social security for wage earners. An overwhelming majority of these organisations are privately owned companies. The coefficient of variation (CV) is calculated as the standard deviation divided by the mean and, thus, shows the extent of variability in relation to the mean of the population. It allows for comparison of different time series. The CV is adapted for the small number of years. The compound annual growth rate (CAGR) is a measure of the linear evolution between 2009 and 2019 and expressed as a %.

The proportion of CCS enterprises in the business economy in Flanders is lower than national and international averages, but has stayed fairly stable against a national decline (Figure 3.1). In 2018, CCS businesses accounted for 6.7% of enterprises in the business economy on average in the OECD. In Belgium, this figure was slightly lower at 6.5%, dropping from 8% in 2011. In the Flemish Region, CCS businesses make up a far smaller proportion of the business economy, at just 3.9% in 2018, but show a smaller decline.

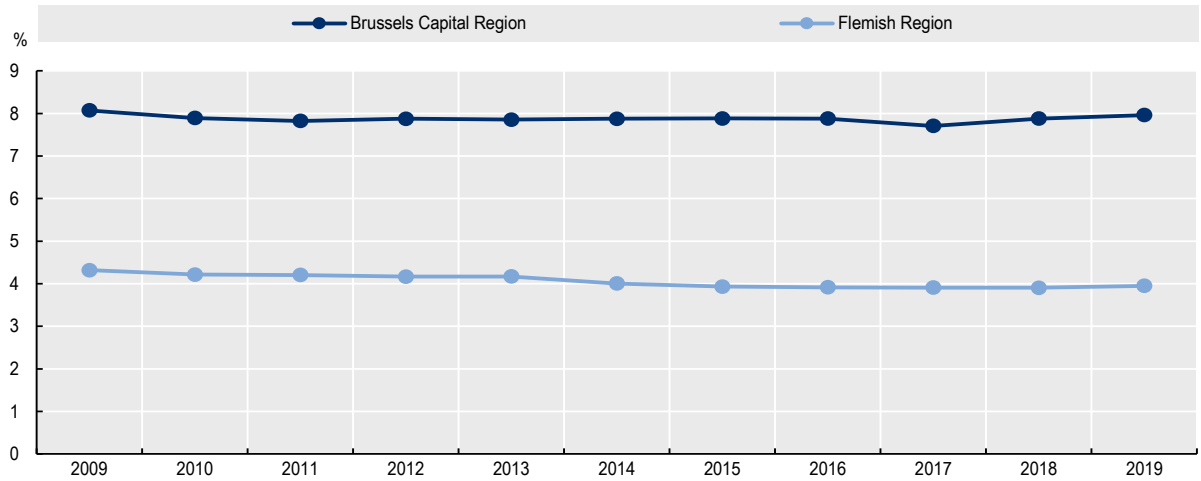
Figure 3.1. CCS enterprises as a share of all enterprises in the business economy, 2011 and 2018



Note: Business economy here includes all economic activities in NACE Rev. 2 B to J, L to N, R90, R91, and S95. Cultural and creative sectors include C18, C3212, C322, G4761, G4762, G4763, J5811, J5813, J5814, J5821, J59, J60, J6391, M7111, M741, M742, M743, N7722, R90, and R91. Latest data for Australia and Costa Rica are from 2017.
Source: OECD calculations on OECD (2021[18]), *OECD Regional Statistics (database)*, https://doi.org/10.1787/6ef7b296-en (ad-hoc data collection); Eurostat (2021[19]), *Regional Structural Business Statistics (table sbs_r_nuts06_r2)*, RSZ (2021)

The number of CCS enterprises has declined slightly over the past decade in the Flemish Region, against an overall increase in the number of enterprises in the total business economy. Between 2009 and 2019 the number of CCS businesses in the Flemish Region declined by 1.6%, while the number of businesses in the total business economy increased by 7.5%. In 2009, CCS businesses made up 4.3% of the total business economy in the Flemish Region, dropping slightly in 2019 to 4.0% (Figure 3.2). As is the case for most capital regions across the OECD, the Brussels-Capital Region has a far higher share of CCS businesses, 8% of the total business economy in 2019, and has seen a 6.3% increase in the number of CCS businesses between 2009 and 2019.

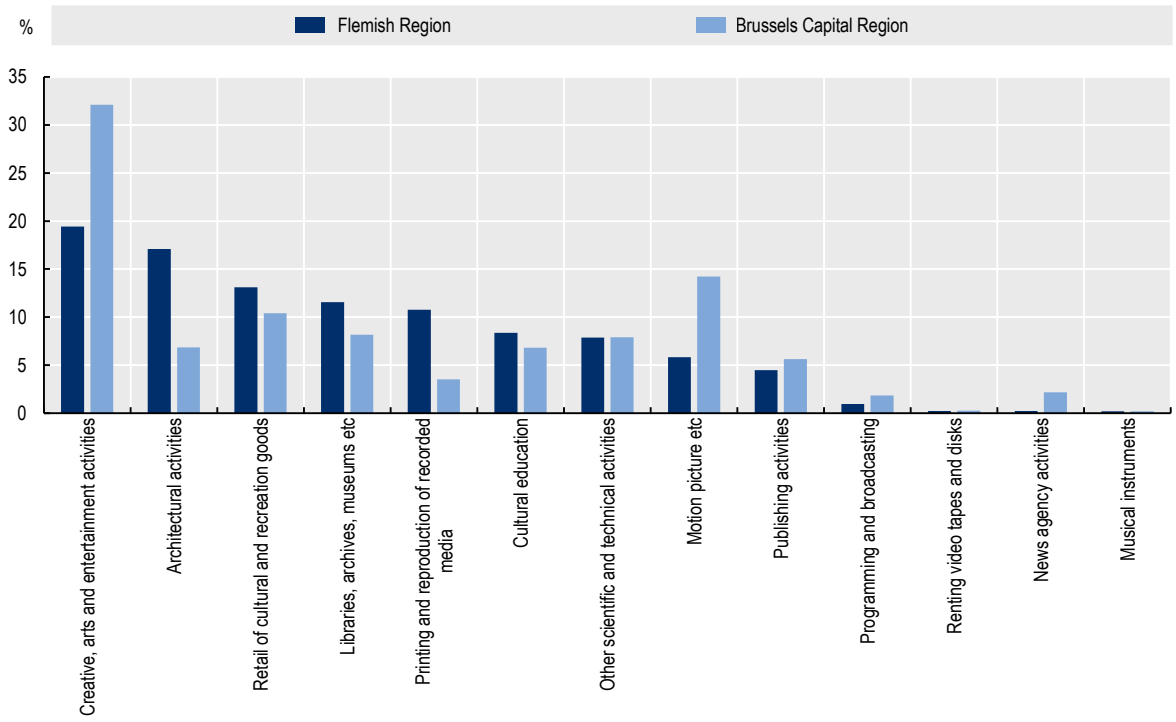
Figure 3.2. Share of CCS establishments in the business economy, 2009-19



Source: OECD calculations on RSZ, 2021 (second quarter of the year)
Note: The business economy is defined as being ISIC.rev2: B to J + L to N+ R90 + R91 + S95

The largest proportion of CCS businesses are in the arts and entertainment subsector, as well as significant proportions in architecture and retail of cultural goods. In the Flemish Region, around 20% of CCS businesses are in the creative, arts and entertainment subsector and around 32% of CCS businesses in the Brussels-Capital Region fall into this subsector (Figure 3.3). The Flemish Region also has a particular strength in architecture (17% of CCS enterprises) and the Brussels-Capital Region also has a particular strength in the subsector motion picture, video and television programme production, sound recording and music publishing activities (14% of CCS enterprises).

Figure 3.3. Share of establishments in the subsectors of CCS - Flemish Region and Brussels-Capital Region, 2019



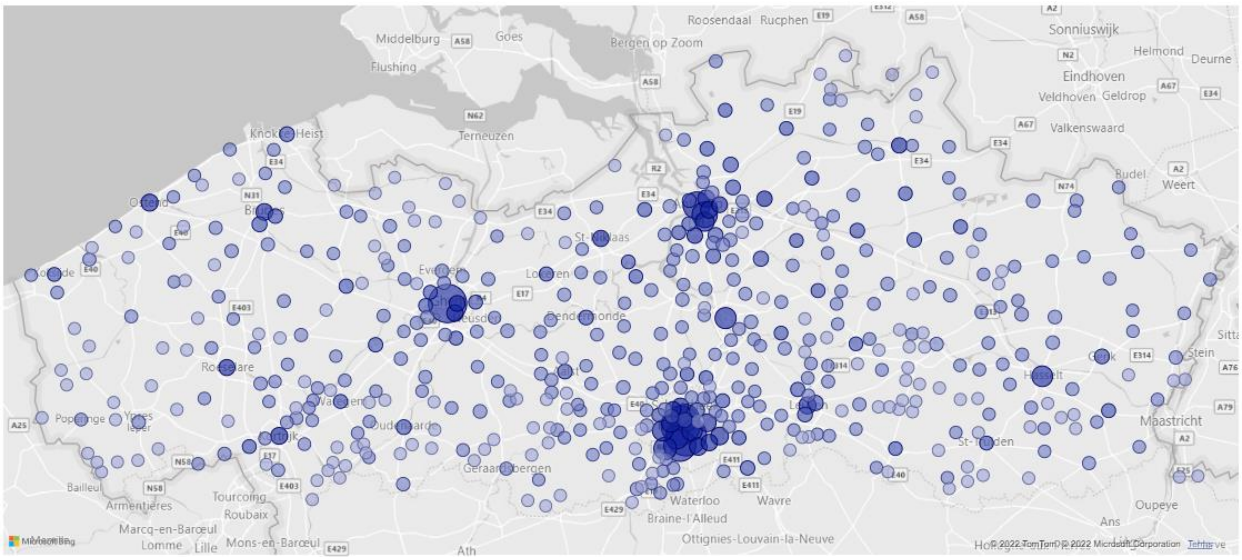
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

In general, there is a broad geographical distribution of CCS establishments, but there is also a clear concentration in and around the cities of Brussels, Antwerp and Ghent (Figure 3.4). It is well known that cultural and creative businesses tend to concentrate in cities and large towns. This is certainly the case in Flanders, where we see distinct concentrations of CCS businesses in Antwerp and Ghent, with the largest cluster in Brussels. However, there is also a broad distribution of CCS businesses across the whole region, suggesting the potential to develop cultural and creative clusters in more peripheral and rural areas. For example, in the UK research shows that small "micro-clusters" of CCS firms can be found across the country, including in more rural areas (Siepel et al., 2020[20]).

The geographic distribution of CCS businesses does, however, vary by subsector (see Annex C). Whilst all subsectors are well represented in Brussels, and generally have some concentration around Antwerp and Ghent as well, in many subsectors of CCS, there is not much presence beyond these cities. For example, television programming and broadcasting activities are sparsely distributed outside of the main cities (Figure A C.10), as are libraries, archives, museums and other cultural activities businesses (Figure A C.19), and cultural education (Figure A C.17). We also see slightly different clustering patterns for some subsectors. For example software publishing is more heavily concentrated in Antwerp than it is

in Brussels (Figure A C.6) and architectural services have a notable cluster in Hasselt (Figure A C.12). Building on these specific subsector clusters and supporting good linkages between these firms and other companies in the local CCS ecosystem could help support the growth of wider CCS clusters outside the main cities.

Figure 3.4. Geographical distribution of CCS establishments



Source: OECD calculations on RSZ, 2021 (second quarter of the year)

The majority of CCS businesses in Flanders are small or micro-enterprises. This is in keeping with international trends, where 96% of CCS firms are micro-enterprises (employing fewer than 10 people) (OECD, 2022[15]). Dividing the number of CCS employees by the number of CCS firms shows the average (mean) firm size (Table 3.2). In 2019, there were an average of eight employees per firm in the Flemish Region, down from nine employees per firm in 2009. We see a similar pattern in the Brussels-Capital Region, were the average number of employees per firm has declined from ten in 2009 to nine in 2019. This reduction could be the result of a growing number of small and micro businesses, or could reflect a growing use of freelance work substituting for salaried employment.

Table 3.2. Average number of employees per firm in cultural and creative sectors, 2009-19

	Brussels-Capital Region	Annual change (in %)	Flemish Region (FLR)	Annual change (in %)	Flanders+	Annual change (in %)	Flanders++	Annual change (in %)
2009	10.2		9.1		9.1		9.2	
2010	10.4	1.71	9.2	1.35	9.2	1.36	9.3	1.39
2011	10.5	0.99	9.2	-0.39	9.2	-0.35	9.3	-0.22
2012	10.2	-2.56	9.1	-0.92	9.1	-0.96	9.2	-1.07
2013	10.1	-0.92	9.0	-1.31	9.0	-1.30	9.1	-1.26
2014	10.1	0.07	8.8	-1.25	8.9	-1.20	9.0	-1.08
2015	10.1	-0.45	8.9	0.61	8.9	0.58	9.0	0.51
2016	10.1	0.21	8.8	-1.54	8.8	-1.50	8.9	-1.32
2017	10.2	0.71	8.5	-2.81	8.6	-2.71	8.7	-2.41
2018	9.6	-5.35	8.4	-1.85	8.4	-1.94	8.5	-2.24
2019	9.2	-3.95	8.2	-1.71	8.2	-1.76	8.3	-2.00
CV	3.34		3.64		3.62		3.53	
CAGR	-0.98		-0.99		-0.99		-0.98	

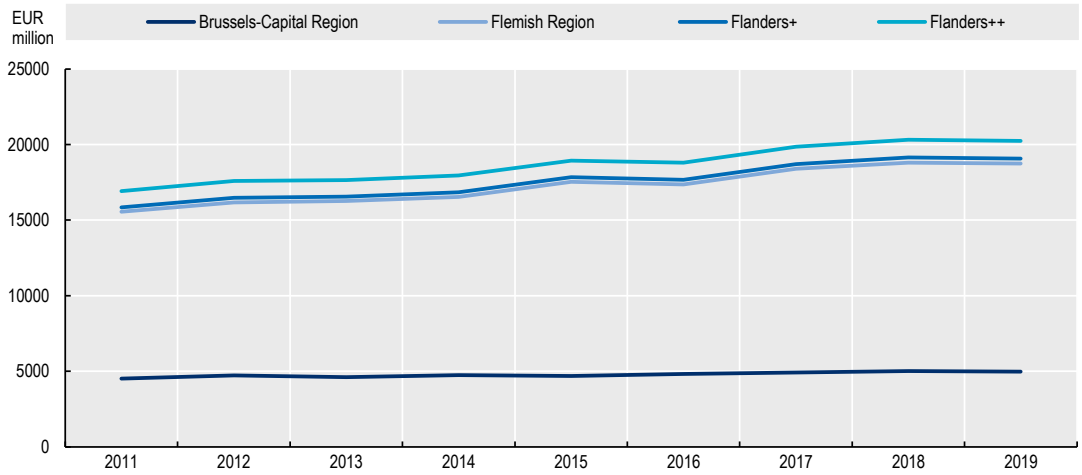
Notes: The coefficient of variation (CV) is calculated as the standard deviation divided by the mean and, thus, shows the extent of variability in relation to the mean of the population. It allows for comparison of different time series. The CV is adapted for the small number of years. The compound annual growth rate (CAGR) is a measure of the linear evolution between 2009 and 2019 and expressed as a %.
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Turnover in cultural and creative sectors

CCS turnover in the Flemish Region has increased over the past decade. Turnover of CCS businesses in the Flemish Region rose from EUR 14.7 billion in 2011 to EUR 20.1 billion in 2019, which is an increase of 36.5% or 3.96% annually (see Table A B.1). In 2019, turnover of CCS in the Flemish Region was 3.75 times higher than in the Brussels-Capital Region, a similar ratio to the general economy (the Flemish Region is roughly three times larger than Brussels-Capital region in terms of GDP). When looking at the change in real terms (Figure 3.5), we see that CCS turnover has experienced fairly steady growth, increasing by around 20% from 2011 to 2019 (2.35% per annum). This is in contrast to the Brussels-Capital Region, where turnover has remained relatively stable, only increasing by around 10% from 2011 to 2019 (1.2% per annum). However, it is important to point out that data on turnover only covers those firms who are registered for VAT, meaning that many smaller businesses and those working as freelancers are likely to be excluded from these figures (see Annex A for explanation of turnover calculations). As such, these figures are likely to underestimate the true scale of turnover for CCS businesses.

Figure 3.5. Turnover in cultural and creative sectors, 2011-2019

Constant (2015) prices



Note: constant prices calculated based on MSTI (OECD, 2021) where 2015=100
Source: BelFirst (2021)

The breakdown of turnover across CCS subsectors reflects the concentration of enterprises in the Flemish and Brussels-Capital Regions. The architecture subsector accounts for around 24% of CCS turnover in the Flemish Region (Table 3.3), reflecting the large presence of architectural firms in the area. Similarly, the largest contributor to CCS turnover in the Brussels-Capital Region is the motion picture, video and television programme activities subsector (18% share of CCS turnover in 2019), which also accounts for one of the largest shares of businesses in the Region. Combined data for the creative, arts and entertainment subsector and the libraries, archives and museums subsector, show that while these subsectors represent a significant share of businesses in both the Flemish and Brussels-Capital Regions, they make up a far smaller share of CCS turnover.

Table 3.3. Share and growth of turnover in CCS subsectors - Flemish Region and Brussels-Capital Region, 2019

	Flemish Region			Brussels-Capital Region		
Sector	Turnover (EUR)	Turnover share (%)	Annual growth (%)	Turnover (EUR)	Turnover share (%)	Annual Growth (%)
Printing and reproduction of recorded media	2871376	14.3	1.77	350819	6.6	0.31
Musical instruments	4553	0.0	-22.89	1549	0.0	-9.47
Retail of cultural and recreation goods	2640113	13.1	5.52	731203	13.7	0.75
Publishing activities	1438340	7.2	-0.57	691556	12.9	0.64
Motion picture etc	3272065	16.3	4.60	963498	18.0	5.50
Programming and broadcasting	194106	1.0	10.48	764063	14.3	0.12
News agency activities	24291	0.1	1.59	59174	1.1	3.27
Architectural activities	4853021	24.2	4.58	620553	11.6	10.85
Other scientific and technical activities	2462560	12.3	3.82	328500	6.1	8.23
Renting video tapes and disks	236782	1.2	5.85	14790	0.3	2.08
Cultural education	200426	1.0	14.43	47820	0.9	22.83
Creative, arts, entertainment, Libraries, museums etc.	1890083	9.4	6.56	770664	14.4	1.38
Total	20087717	100.0	3.96	5344190	100.0	2.81

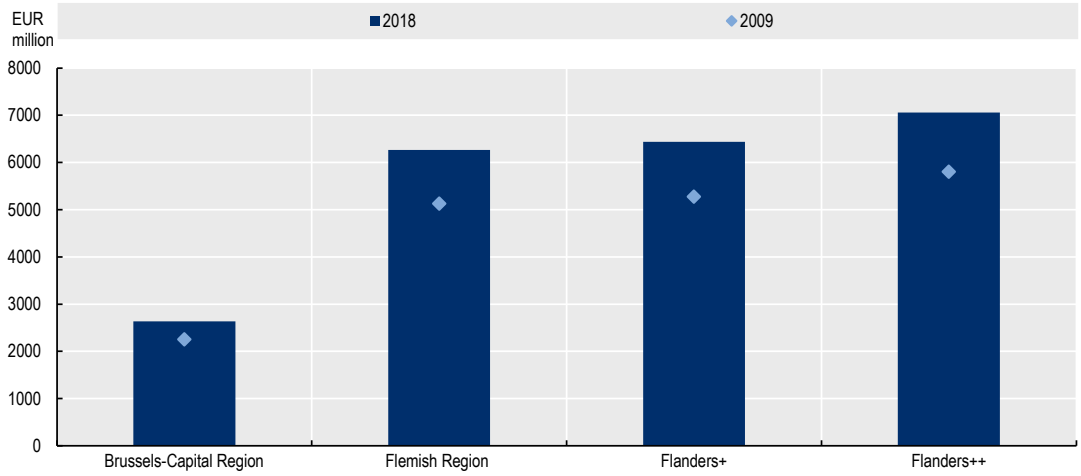
Note: The compound annual growth rate (CAGR) is a measure of the linear evolution between 2011 and 2019 and expressed as a %.
Source: BelFirst

Gross value added in cultural and creative sectors

Cultural and creative sectors contribute a significant amount of Gross Value Added (GVA) to the Flemish economy. In 2018, CCS GVA amounted to EUR 6 266 million in the Flemish Region, and EUR 2 633 million in the Brussels-Capital Region, with an estimated contribution of EUR 6 438 million for Flanders+ and an estimated EUR 7 056 million for Flanders++ (Figure 3.6). In nominal terms, CCS GVA in the Flemish Region increased by 22.2% from 2009 to 2018, and 16.8% in the Brussels-Capital Region (see Table A B.3). However, in real terms (Table 3.4), growth was more modest, with CCS GVA increasing in by 5.7% from 2009 to 2018 in the Flemish Region and just 1.1% in the Brussels-Capital Region (5.6% estimated increase for Flanders+ and 5.2% estimated increase for Flanders++).

Figure 3.6. GVA of cultural and creative sectors 2009 and 2018 (current prices)

Current prices



Source: Source: NBB.stat (2021), RSZ (2021) second quarter of the year; RSVZ (2021); own calculations

Table 3.4. GVA of cultural and creative sectors, 2009 to 2018 (constant prices)

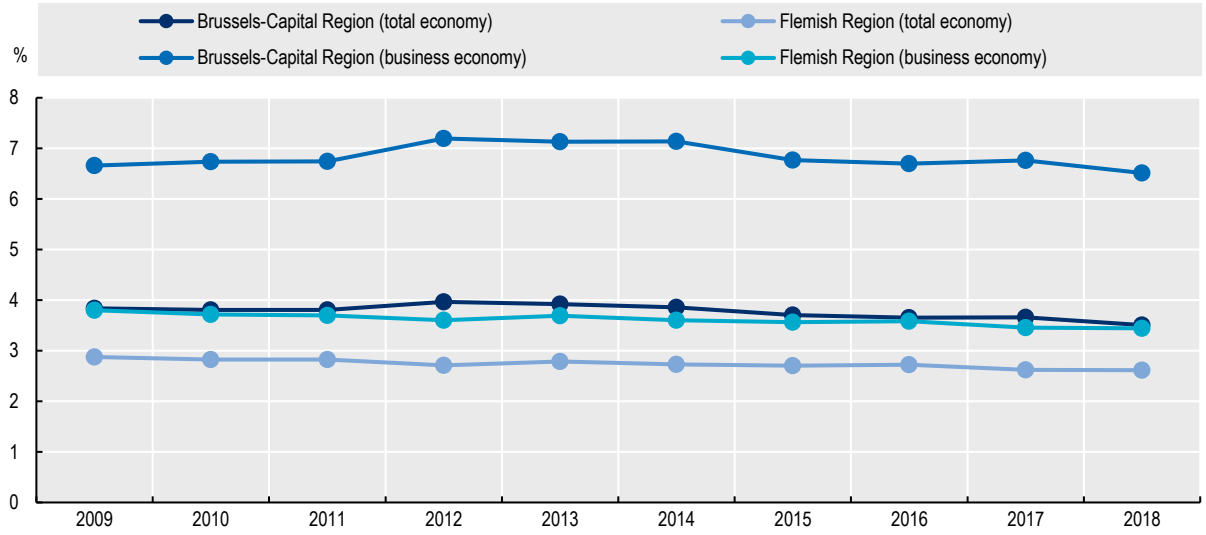
Millions EUR, constant (2015) prices

	Brussels-Capital Region	Annual change (in %)	Flemish Region (FLR)	Annual change (in %)	Flanders+	Annual change (in %)	Flanders++	Annual change (in %)
2009	2 470.6		5 620.8		5 782.2		6 362.1	
2010	2 526.4	2.26	5 640.7	0.35	5 805.7	0.41	6 398.6	0.57
2011	2 557.3	1.22	5 774.0	2.36	5 941.0	2.33	6 541.3	2.23
2012	2 683.9	4.95	5 610.0	-2.84	5 785.2	-2.62	6 415.1	-1.93
2013	2 652.1	-1.18	5 794.9	3.30	5 968.1	3.16	6 590.5	2.73
2014	2 657.7	0.21	5 772.9	-0.38	5 946.5	-0.36	6 570.2	-0.31
2015	2 615.8	-1.58	5 861.7	1.54	6 032.5	1.45	6 646.5	1.16
2016	2 561.3	-2.08	5 999.8	2.36	6 167.0	2.23	6 768.2	1.83
2017	2 587.0	1.00	5 875.4	-2.07	6 044.4	-1.99	6 651.5	-1.72
2018	2 497.3	-3.47	5 941.4	1.12	6 104.4	0.99	6 690.6	0.59
CV	2.69		2.26		2.19		2.00	
CAGR	0.12		0.62		0.60		0.56	

Note: The coefficient of variation (CV) is calculated as the standard deviation divided by the mean and, thus, shows the extent of variability in relation to the mean of the population. It allows for comparison of different time series. The CV is adapted for the small number of years. The compound annual growth rate (CAGR) is a measure of the linear evolution between 2009 and 2018 and expressed as a %.
Source: NBB.stat (2021), RSZ (2021) second quarter of the year; RSVZ (2021); MSTI (OECD, 2021) where 2015=100; own calculations

While CCS GVA has been increasing in Flanders, this has not outpaced growth in the overall economy. Although CCS GVA in the Flemish Region has been increasing over the past decade (22.2% nominal growth between 2009 and 2018), this falls short of the total economy GVA growth (34.5%). This means that the share of GVA attributed to CCS has declined, from 2.88% of total economy GVA in 2009 to 2.61% of total economy GVA in 2018 (Figure 3.7). The Brussels-Capital Region shows a similar pattern, with the CCS share of total economy GVA declining from 3.84% in 2009 to 3.15% in 2018. Looking at CCS GVA as a proportion of the businesses economy only (excluding sectors such as defence and education), shows a similar decline in the share of GVA attributed to CCS in both the Flemish Region and the Brussels-Capital Region. In the Flemish Region, the share of total businesses economy GVA attributed to CCS dropped from 3.8% in 2009 to 3.4% in 2018 and in the Brussels-Capital Region the share dropped from 6.7% in 2009 to 6.5% in 2018[1].

Figure 3.7. CCS share of total and business economy GVA, 2009-18



Source: NBB stat (2021); RSZ, 2021 (second quarter of the year); RSVZ; own calculations
Note: The business economy is defined as being ISIC.rev2: B to J + L to N+ R90 + R91 + S95

The share of GVA attributed to CCS may have fallen slightly in the past decade, but it remains substantially higher than international averages. In 2018, CCS contributed approximately 2.2% of business economy GVA on average across the OECD. This ranged from 1.2% in the Slovak Republic to 3.8% in the United Kingdom. The 3.4% and 6.5% shares of business economy GVA attributed to CCS in the Flemish Region and the Brussels-Capital Region respectively are therefore higher than international averages. While caution should be taken in interpreting these results due to slight differences in methodology[2], this does suggest that Flanders is performing well in CCS GVA generation.

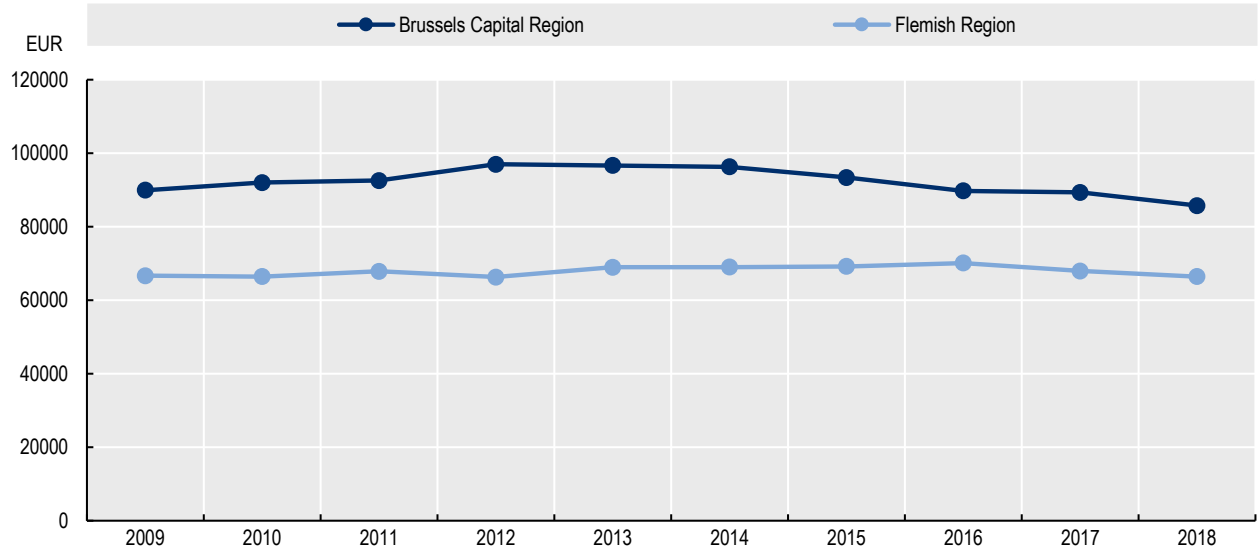
[1] The discrepancy between the shares in the total economy and the business economy, which is higher for Brussels than for the Flemish Region, can be explained by the fact that the share of the non-business economy - administrations, education, etc. - is markedly higher in Brussels.

[2] For international averages, GVA is calculated from business surveys, whereas for the Flanders calculation, the average GVA per worker is calculated for each subsector and then multiplied by the official number of workers (including both salaried and self-employed workers) in that subsector. Consequently, the figures shown here are likely to be larger than national averages as the method extrapolates from employment data and includes the self-employed.

Analysis suggests that labour productivity in CCS has been relatively stable in the Flemish Region, but has shown a slight decline in recent years in the Brussels-Capital Region. In 2018, GVA per employee, a measure of labour productivity, varied between EUR 66 000 in the Flemish Region and EUR 86 000 in the Brussels-Capital Region (Figure 3.8). However, GVA per worker in the Brussels-Capital Region decreased by 4.7% between 2009 and 2018, compared to only a slight decline of 0.3% in the Flemish Region.

Figure 3.8. Labour productivity in cultural and creative sectors, 2009-2018

Productivity per employee (EUR, Constant (2015) prices)



Notes: Employees includes both salaried and self-employed workers
Source: NBB.stat (2021), RSZ (2021) second quarter of the year; RSVZ (2021); MSTI (OECD, 2021) where 2015=100; own calculations

Table 3.5. Share and growth of GVA in CCS subsectors - Flemish Region and Brussels-Capital Region

	Flemish Region		Brussels-Capital Region	
Subsectors	**Share (2018, %)**	**Growth (2009-2018, %)**	**Share (2018, %)**	**Growth (2009-2018, %)**
Printing and reproduction of recorded media	11.9	-1.53	1.6	-9.91
Musical instruments	0.0	-2.15	0.0	-6.45
Retail of cultural and recreation goods	13.6	0.46	5.8	0.35
Publishing activities	13.9	0.40	11.5	-1.68
Motion picture etc	8.0	4.02	11.9	4.24
Programming and broadcasting	2.4	0.92	25.2	2.10
News agency activities	0.1	-1.00	1.8	2.37
Architectural activities	17.1	3.97	9.9	2.04
Other scientific and technical activities	1.8	5.75	1.0	-0.42
Renting video tapes and disks	0.2	-17.88	0.4	-16.12
Cultural education	7.7	1.63	5.0	3.78
Creative arts and entertainment	17.3	8.57	19.3	5.21
Libraries, museums etc	6.2	2.82	6.6	3.34
Total CCS	**100.0**	**2.25**	**100.0**	**1.75**

Note: The compound annual growth rate (CAGR) is a measure of the linear evolution between 2009 and 2018 and expressed as a %.
Source: NBB.stat (2021), RSZ (2021) second quarter of the year; RSVZ (2021); own calculations

GVA of the creative arts and entertainment subsector has experienced higher growth in the Flemish Region over the last decade than total CCS (Table 3.5). Nominal creative arts and entertainment GVA has increased by 8.6% between 2009 and 2018, well above the average CCS GVA growth rate for the Flemish Region (2.25%). GVA of this subsector has also been growing in the Brussels-Capital Region, growing by 5.21% between 2009 and 2018. The largest GVA generating subsector in the Brussels-Capital Region is programming and broadcasting (representing about a quarter of GVA, 25.2%), which also saw an above average growth rate of 2.1% against the average of 1.75% for the total CCS.

Policy considerations

Flanders has a strong cultural and creative sector, but enterprise and GVA growth has lagged in recent years

Cultural and creative sectors contribute a significant amount of GVA to the Flemish economy. In 2018, CCS GVA amounted to EUR 6 266 million in the Flemish Region, and EUR 2 633 million in the Brussels-Capital Region**.** Strong turnover figures for CCS in both regions also demonstrate the economic impact of the sector.

However, both business counts and the share of regional GVA attributed to CCS businesses have not grown substantially over the past decade. The number of CCS businesses in the Flemish Region has declined slightly over the past decade and the proportion of CCS firms in the total business economy in the Flemish Region is below OECD average. Moreover, while GVA in CCS has been increasing in absolute terms, this growth has not kept pace with GVA growth in the total business economy, meaning that the share of GVA attributed to CCS has declined for both the Flemish and the Brussels-Capital Regions. This suggests that focusing policy efforts towards CCS business creation (e.g. through start-up support programmes) and helping CCS businesses in value generation (e.g. through internationalisation support) could be helpful in promoting future growth.

Building on subsector strengths can help promote growth

Flanders has particular strengths in architecture and film and television and creative arts. Architectural activities is one of the largest CCS subsectors in Flanders, in terms of both business counts and GVA generation. This subsector has a notable cluster in Hasselt, which policy could look to further reinforce (e.g. through targeted promotion campaigns). Policy could also look to reinforce links between the film and television production subsector, which is relatively geographically dispersed, and the programming and broadcasting sector, which is more concentrated in a few central locations (Brussels and Antwerp). For example, supporting networking and showcase events outside of the major cities could help support businesses in less centralised locations.

Creative arts and entertainment has also seen particularly high GVA growth over the past decade. The creative arts and entertainment sectors contributed the highest proportion of CCS GVA before the COVID pandemic (17.3% of total CCS GVA in the Flemish Region and 19.3% in the Brussels-Capital Region in 2018). GVA growth for this sector between 2009 and 2018 was at 8.6% in the Flemish Region and 5.2% in the Brussels-Capital Region (compared to overall CCS GVA growth of 2.25% and 1.75% respectively). Continued support to artists and performers, who were some of the worst hit by the COVID-19 pandemic, could help mitigate stagnation or decline of this subsector in the aftermath of the pandemic.

4 Employment and skills in cultural and creative sectors

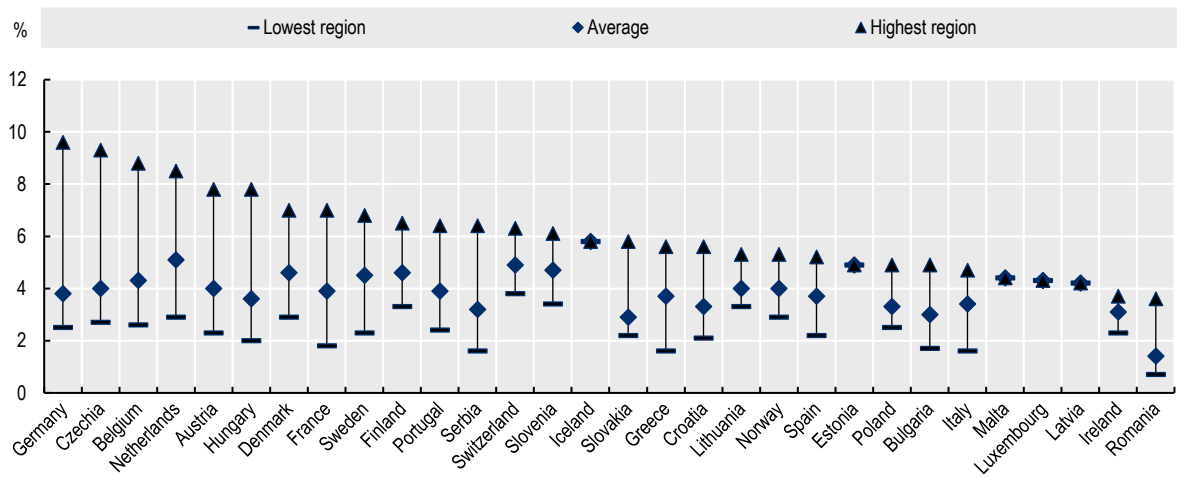
Cultural and creative employment – comparison with EU peers

Total cultural and creative employment includes both jobs in cultural and creative sectors and cultural and creative jobs in other sectors of the economy. Across the OECD, around 40% of cultural and creative employment can be found outside of cultural and creative sectors, for example, industrial designers working in the automotive industry (OECD, 2022[15]).

Belgium has a higher rate of cultural and creative employment than EU27 average. In 2021, 4.3% of employment in Belgium was in cultural and creative employment, compared to an EU27 average of 3.7%. However, there is much regional diversity within Belgium, encompassing both one of the highest and one of the lowest regional cultural and creative employment shares in the EU (Figure 4.1). As is common across the OECD, cultural and creative employment is concentrated in the capital, with cultural and creative employment accounting for 8.8% of all employment in the Brussels-Capital Region (Figure 4.2). In the Flemish Region, rates are similar to the EU27 average at 3.7%. Within the Flemish Region, there is also diversity at the provincial level, with rates ranging from 4.8% in Antwerp to 2.6% in Limburg.

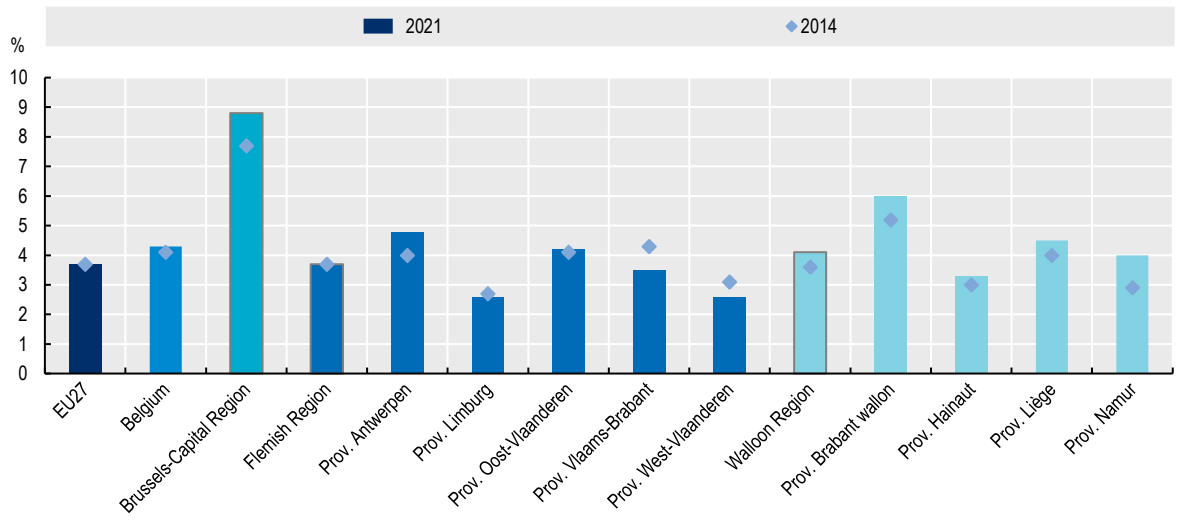
Cultural and creative employment growth in the Brussels-Capital Region has far outpaced EU average, but in the Flemish Region growth has been more modest. The number of people working in cultural and creative employment in the Brussels-Capital Region has risen by 26.8% between 2014 and 2021, compared to an EU27 average growth of 7.5% (Figure 4.3). In the Flemish Region, growth has been more modest at 6.8%, slightly below the EU average. While growth rates in Antwerp were one of the highest in Belgium (29.2%), this high growth was offset by declines in Flemish Brabant (*Vlaams-Brabant*) and West Flanders (*West-Vlaanderen*), where the number of people working in cultural and creative employment reduced by 17.5% and 11.5% respectively. In regards to changes in the overall share of cultural and creative employment over this period, the share has increased by just over one percentage point (from 7.7% to 8.8%) in the Brussels-Capital Region, but has remained steady in the Flemish Region at 3.7% (Figure 4.2).

Figure 4.1. Cultural and creative employment as a share of total employment across Europe, 2021



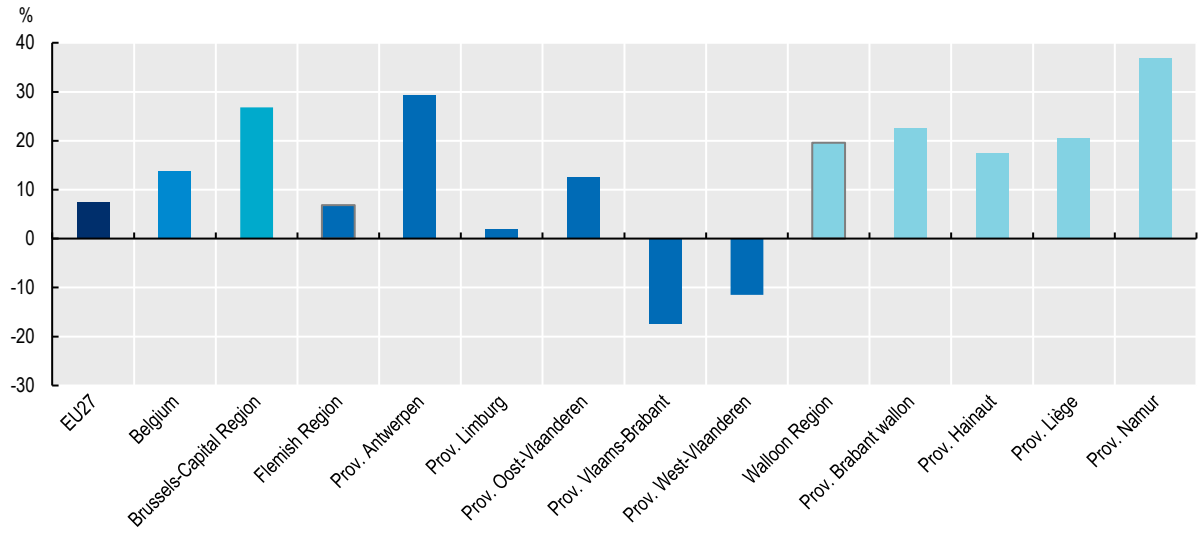
Source: Eurostat, Cultural employment by NUTS 2 regions, 2021

Figure 4.2. Cultural and creative employment as a share of total employment in Belgium, 2014 and 2021



Source: Eurostat, Cultural employment by NUTS 2 regions, 2021

Figure 4.3. Cultural and creative employment growth in Belgium, 2014-2021



Source: Eurostat, Cultural employment by NUTS 2 regions, 2021

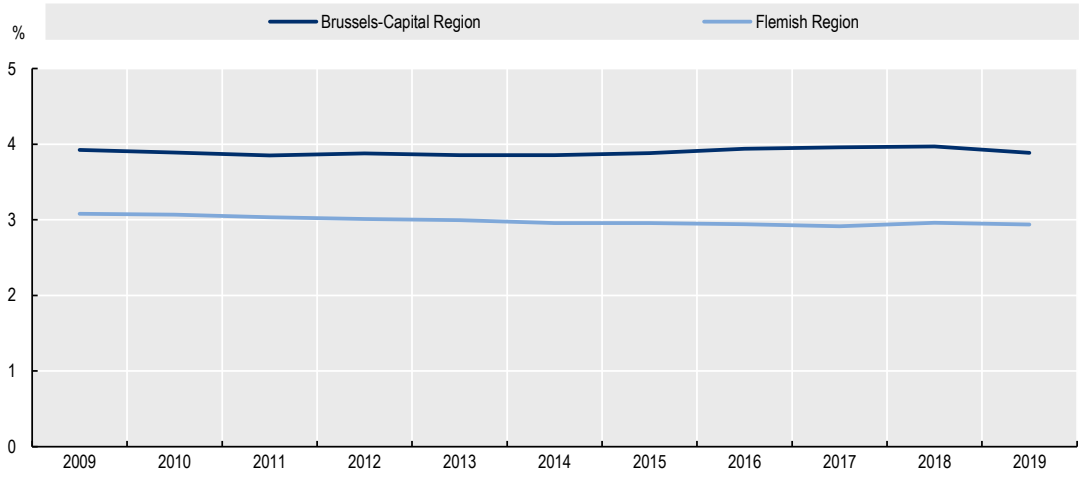
Cultural and creative employment in Flanders

Cultural and creative sectors account for a significant share of jobs in Flanders. There were 90 486 CCS jobs[3] (including salaried and self-employed work) in the Flemish Region in 2019, an estimated 92 375

[3] Note that these figures refer to jobs, rather than number of people employed. Data are derived by combining figures on salaried employment and self-employment and may therefore result in some double counting of people – i.e. if a person is employed in both salaried CCS work and in self-employed CCS work, they would be counted twice in these figures. As such, the figures presented here are likely to slightly over estimate the number of people employed in CCS.

CCS jobs using the Flanders+ model and an estimated 99 161 jobs using the Flanders++ model (Table A B.4). In 2019, CCS provided 3.8% of jobs in the total Flemish Region (Figure 4.4). In the Brussels-Capital Region this figure is even higher at 4.6% of jobs. While the number of jobs in CCS has increased by roughly 7.2% between 2009-19 in the Flemish Region, the share of CCS jobs has dropped slightly (from 3.9%) because of faster employment growth in the total economy (10.1%).

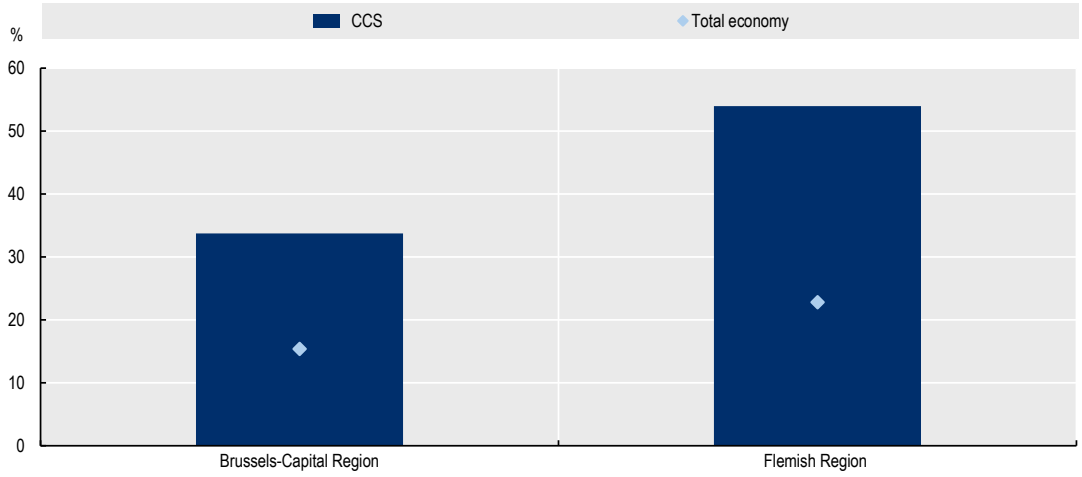
Figure 4.4. CCS jobs as a share of all jobs, 2009-19



Note: Figures include both salaried and self-employed jobs
Source: RSZ, 2021 (second quarter of the year); RSVZ; own calculations

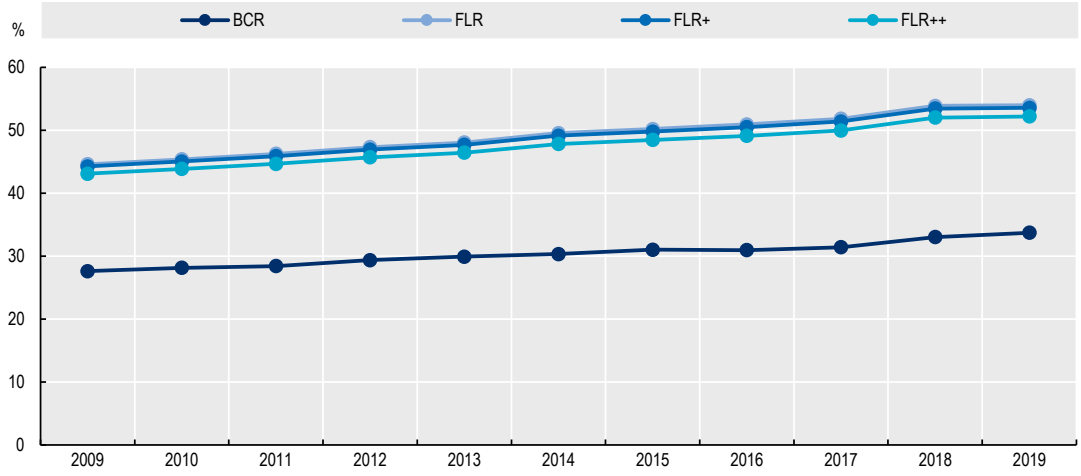
Employment dynamics have shifted away from waged employment towards self-employment, with over half of CCS jobs in the Flemish Region now being self-employed. In 2019, 54% of CCS jobs in the Flemish Region were self-employed (Figure 4.5). This is a far higher proportion that in the total economy (23%). We see a similar ratio, though slightly less pronounced in the Brussels-Capital Region, with self-employed work accounting for 34% of CCS jobs compared to only 15% of jobs in the total economy. Moreover, the ratio of self-employed to salaried work in CCS has increased overtime (Figure 4.6). The increase is most pronounced in the Flemish Region, where self-employment has risen from 45% of CCS employment in 2009 to 54% in 2019 (compared to a rise from 21% to 23% in the total economy).

Figure 4.5. Self-employed jobs as a share of all jobs in CCS and total economy, 2019



Source: Source: RSZ, 2021 (second quarter of the year); RSVZ; own calculations

Figure 4.6. Self-employed jobs as a share of all CCS jobs, 2009-2019

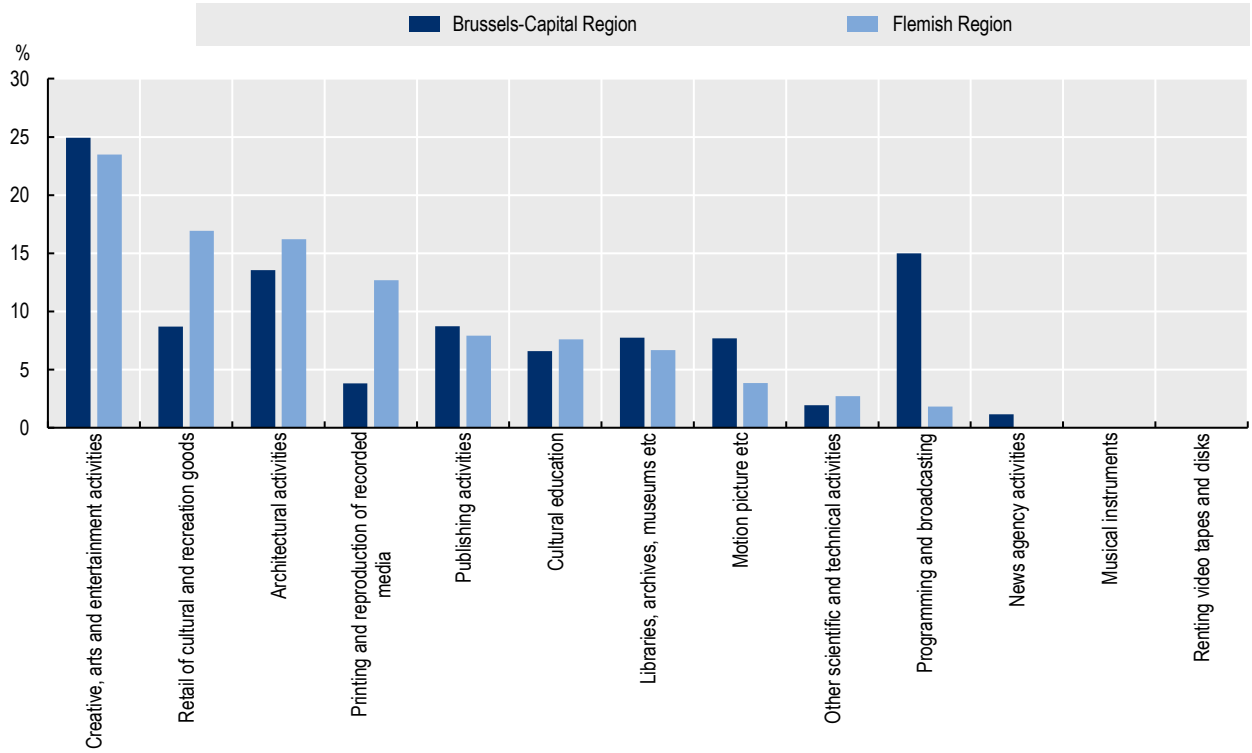


Source: RSZ, 2021 (second quarter of the year); RSVZ; own calculations

Around a quarter of CCS jobs in Flanders are in creative arts and entertainment (Figure 4.7). Creative arts and entertainment is the largest subsector in terms of jobs in both the Flemish Region (24% of CCS jobs) and the Brussels-Capital Region (25% of CCS jobs). This is similar to international trends, where we see this subsector account for around 24% of (salaried) CCS jobs on average across the OECD (OECD, 2022[15]). This subsector also has one of the highest rates of self-employment in Flanders, with around 70% of jobs in the sector attributed to self-employed work.

Figure 4.7. Jobs in CCS subsectors, 2019

Share of all CCS jobs



Source: RSZ, 2021 (second quarter of the year); RSVZ; own calculations

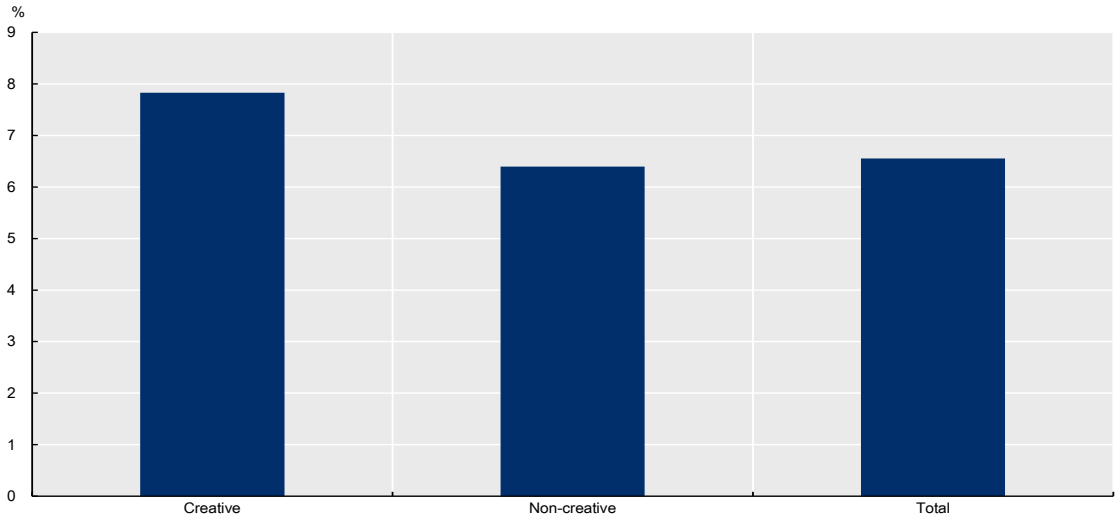
Education and training in cultural and creative disciplines

Flanders has an extensive range of higher education courses, offered by Schools of Arts, universities and university colleges (or *hogescholen*).[4] Universities offer academic based courses, whereas university colleges offer more practice-based education. Flemish higher education is offered in the Flemish Region as well as in the Brussels-Capital Region, including a number of specialist institutions. For example, the LUCA School of Arts specialises in art and design, the Royal Conservatory Antwerp specialises in music, dance and drama, and the Royal Institute for Theatre, Cinema and Sound, housed within Erasmus Brussels University, specialises in audio-visual and dramatic arts.

Enrolments in creative courses in Flanders have been growing and make up a sizable share of the higher education landscape. In the academic year 2019/20 around 11% of all higher education enrolments were in creative courses. Moreover, the number of enrolments in creative programs has been growing at a higher rate than non-creative courses. The number of creative course enrolments grew 7.8% between 2013/14 and 2019/20, compared to growth of 6.4% in non-creative course enrolments (Figure 4.8).

The most popular creative courses were in communications & media, architecture & landscape design, and audio-visual & visual arts (Figure 4.9). The most popular creative courses were in communications & media subjects (30% of all creative enrolments). However, this subject area was one of the only creative subject groups to have seen a reduction in enrolments over the past few years, with enrolment numbers reducing by 8.5% between 2013/14 and 2019/20. Architecture & landscape design, and audio-visual & visual arts had the second and third highest enrolment shares respectively and both subject areas have seen good enrolment growth in the past few years (12.7% and 9.6% respectively, between 2013/14 and 2019/20). Considering the high number of CCS businesses in architecture and in the film and television industry (including programming and broadcasting), growth in these subject areas suggest that Flanders has a strong talent pipeline to support its high growth sectors.

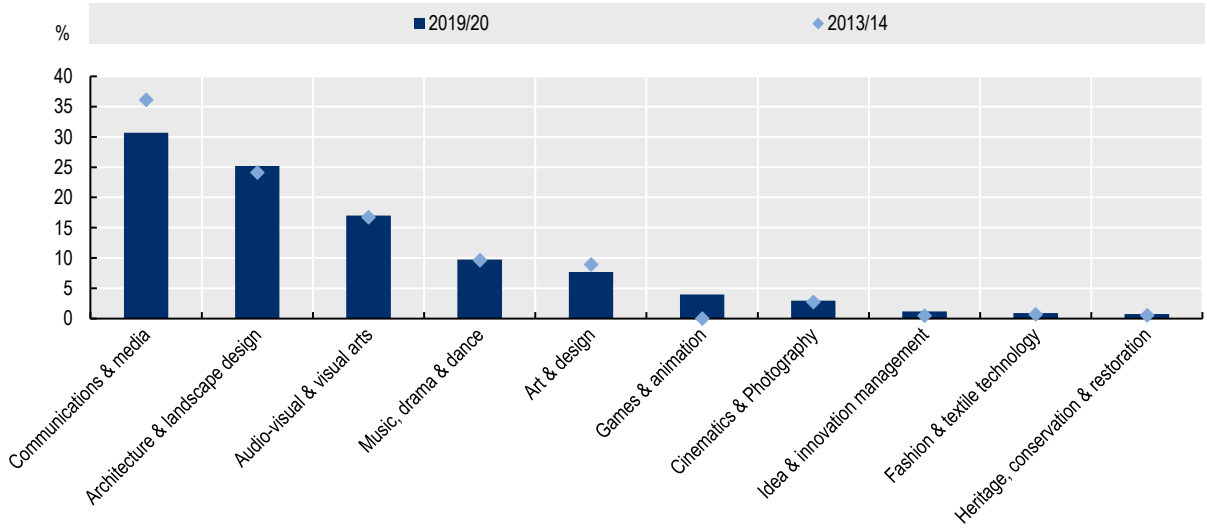
Figure 4.8. Growth in enrolment numbers for creative and non-creative courses, 2013/14-2019/20



Note: creative courses include Architecture & landscape design; Art & design; Audio-visual & visual arts; Cinematics & Photography; Communications & media; Fashion & textile technology; Games & animation; Heritage, conservation & restoration and Idea & innovation management.
Source: Calculation data Vrije Universiteit Brussels, validated data on enrolments in Higher Education, as distributed to the institutions by the Flemish administration.

[4] Overviews of the full range of training courses can be found via: https://www.hogeronderwijsregister.be/instellingen or https://www.studyinflanders.be/higher-education-in-flanders

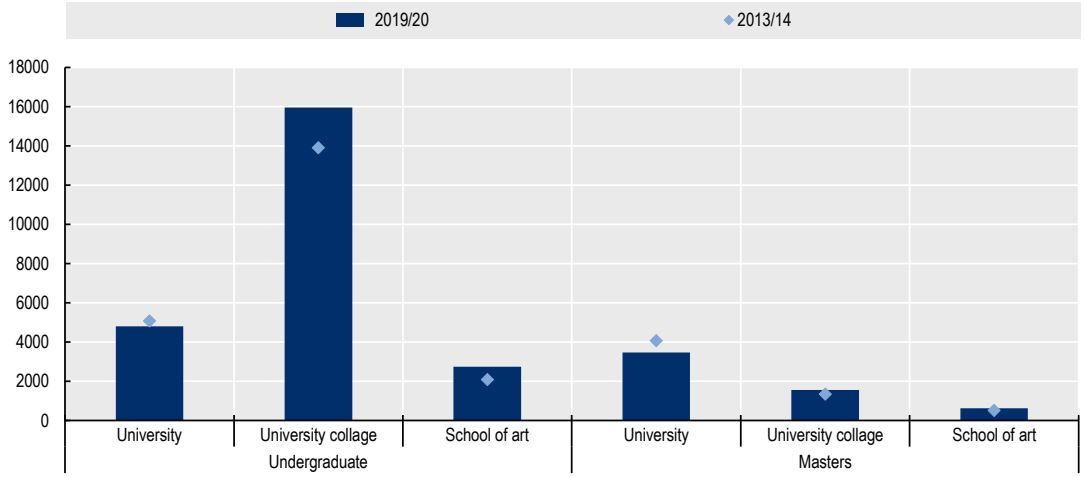
Figure 4.9. Share of creative course enrolments by subject area, 2013/14 and 2019/20



Source: Calculation data Vrije Universiteit Brussels, validated data on enrolments in Higher Education, as distributed to the institutions by the Flemish administration.

University colleges house the majority of creative undergraduates and enrolments in these types of institution are growing. In 2019/20, around 68% of undergraduate enrolments in creative courses were within the more practiced based university colleges (Figure 4.10). Moreover, we see a general trend away from creative enrolments in university settings toward more university college and school of arts enrolments at both undergraduate and masters levels. While elsewhere in the OECD we see challenges in developing specialist and practice based creative education (for example see (OECD, 2022[21])), in Flanders it appears as though practice based and specialist creative education is thriving.

Figure 4.10. Number of enrolments in creative courses by level and higher education provider type, 2013/14 and 2019/20



Note: creative courses include Architecture & landscape design; Art & design; Audio-visual & visual arts; Cinematics & Photography; Communications & media; Fashion & textile technology; Games & animation; Heritage, conservation & restoration and Idea & innovation management.
Source: Calculation data Vrije Universiteit Brussels, validated data on enrolments in Higher Education, as distributed to the institutions by the Flemish administration.

Policy considerations

Rising levels of self-employed in cultural and creative work present challenges that policy is working to address

Over half of those working in cultural and creative sectors in the Flemish Region are in self-employed work. Moreover, the proportion of those working self-employed in the sector has been rising, indicating a shift away from salaried employment. This presents challenges, as self-employed workers typically have less steady income streams and more precarious working conditions.

To help account for the irregular nature of artistic work, Belgium offers tailored unemployment protection and benefits for artists and cultural workers. Under these regulations, creative professionals (including technical and support staff) can access a "artwork" benefit, which provides regularised funding, and access to unemployment protection. Beneficiaries of these regulations can be fully self-employed, both employed and self-employed or those working in CCS as a second job. Coverage is also extended to those just starting their creative career. The Flemish government provides a wealth of information and support for CCS actors looking to access these benefits and protections, through the Cultuurloket online platform.

Flanders has a strong talent pipeline, supported by the growing role of university colleges in the creative higher education landscape

Enrolments in creative higher education courses in Flanders have been growing at a higher rate than enrolments overall, driven largely by increases in university college enrolments. University college courses in creative subjects have seen strong growth over the past few years, as have enrolment numbers in schools of art. Policy could look to further promote the success of Flanders creative higher education sector to international audiences to further attract talent to the region. Such efforts could look to focus on the specific strengths of university colleges as providers of more practice-based education as well as on the specialised expertise that schools of art provide. Moreover, continued collaboration between the higher education sector and CCS business (for example the development of work placement schemes), could help in retaining talent in the local area when students graduate.

5 Subsector snapshot: The museums sector in Flanders

Policy support for the museums sector in Flanders

Museums in Flanders are supported by the Cultural Heritage Decree. The primary legislation outlining the financial support for museums in Flanders is the Cultural Heritage Decree, the implementation of which is overseen by the Culture, Youth and Media Department of the Flemish government. This decree includes provisions for a structural funding stream which entails longitudinal support for all operational aspects of the museum's activities, and a project-based funding stream which provides support to address specific aspects of museum's activities. The decree also entrusts the Flemish Institution for Cultural Heritage (FARO) to provide advice and tailored guidance, training and knowledge development for the museum sector and other heritage institutions.

In 2017, the Flemish department for Culture Media and Sport published its first strategic vision paper for the cultural heritage sector (Gatz, 2017[22]). Building on the concept note *Towards a sustainable cultural heritage operation in Flanders*, published in 2016, the 2017 vision statement contained environmental analysis, discussion of challenges for the field, strategic priorities for the sector, and points for attention in the implementation of the Cultural Heritage Decree and the relationship with cities, municipalities and the Flemish Community Commission (VGC). The vision statement focused on four main lines of action:

- Strengthening public collections in Flanders with special attention for a high-quality execution of basic functions
- An update of the intangible cultural heritage policy and where possible an integrated approach to movable and intangible heritage
- More effectiveness and less fragmentation within the Flemish cultural heritage sector by focusing on more cooperation and coordination
- Focus on broad participation and diversity

A new strategic vision was published in 2021, based on extensive consultation with a wide range of stakeholders. In 2020, the department started a process for the preparation of a new strategic vision paper (Vlaanderen, 2022[23]). This took place in several steps: firstly, a mapping of the challenges for the cultural heritage sector was conducted, based primarily on the 2019 policy advice and the sector analysis drawn up by the Cultural Heritage Advisory Committee and the chairs and vice-chairs of the assessment committees. There then followed a consultation period, seeking feedback on the preliminary findings with industry and stakeholders, representatives of other policy areas, and actors such as the Association of Flemish Cities and Municipalities and the Flemish Community Commission. Finally, the priorities for the new Strategic Vision Memorandum were determined, in close consultation between the Department and the Culture Cabinet. The Coalition Agreement 2019-2024 and the Policy Document on Culture 2019-2024 played a crucial role in making choices and emphasising the new Strategic Vision Document on Cultural Heritage.

The new strategic vision outlines three main objectives, supported by eight policy priorities (Jambon, 2021[24]). The aims of the strategic vision are to: guarantee and stimulate the dynamics, individuality and appearance of the Flemish cultural heritage field; encourage and strengthen digital transformation; and to make the current and future generation enthusiastic about the rich and diverse heritage in Flanders. To support these aims the vision outlines eight policy priorities**:**

- **deepening knowledge** about cultural heritage and cultural heritage functioning
- commitment to a **rich and diverse cultural heritage landscape**
- additional attention to **heritage care** (e.g. collecting and preserving heritage)
- encourage and strengthen the **digital transformation**
- everyone for heritage – **heritage for everyone**

- strengthening **business operations**
- stimulating the **international cultural heritage effect**
- **alignment with broad cultural policy**, other policy domains, and levels of government

This strategic vision feeds into museums' eligibility for structural and project-based funding. For all types of subsidies, a separate criterion has been included in the Cultural Heritage Decree regarding "compliance with the Strategic Vision". The criterion relating to compliance with the Strategic Vision Memorandum is tested together with the other criteria and thus helps to determine the global assessment and final score of an application.

While these frameworks outline policy specifically for museums, there are also broader areas of cultural policy which are relevant to the sector. For example, the delineated areas of international cultural policy, supra-local cultural policy and local cultural policy all have the potential to impact the museums sector. Similarly, areas such as cultural participation and digital culture (see Box 5.1) also overlap with the museums agenda.

Cities and municipalities also play an important role in supporting the museums sector. Many cities and municipalities themselves own important collections and also act as organising bodies, founders or managers of other collection management organisations (Vlaanderen, 2022[25]). At the same time, they invest in knowledge and expertise, initiatives, associations and volunteers who are committed to cultural heritage activities. Cities and municipalities (alongside the Flemish Community Commission) are also involved in the drawing up of the strategic vision memorandum and are involved in concluding a management agreement with the cultural heritage organisations located in their territory.

Box 5.1. Digitisation in the Flemish museums sector

Museums across the world are embracing digitisation to reach new audiences. For example, in Japan, a digital museum has been launched which recreates the off-limits areas forbidden to visitors of the World Heritage abandoned coal mining facility, Gunkanjima (Battleship Island) through VR and projection mapping. A second example is the Father and Son video game published by the Archaeological Museum of Naples, Italy, as part of its strategic plan to develop new audiences. The game, released for free, includes additional content which can be accessed when players "check-in" by physically visiting the museum.

In Flanders there are a number of initiatives which embrace technology to promote and develop the museums sector, including:

- **Flanders virtual museum** aims to connect movable, immovable and intangible heritage in stories about Flanders through a new digital platform. The project, currently in development phase, was initiated by CJM in collaboration with many partners: the broad heritage sector in Flanders (including immovable heritage), Digital Flanders, the creative and digital sector and up-and-coming talent in a number of schools.
- **The Antwerp Museum App**, a free app offering guided tours in museums and in the city of Antwerp. Supported by the Antwerp city government and the Flemish department for Tourism, the app promotes the local museum sector and offers additional walking tours for visitors to learn more about the city.
- The **Digital Leadership in the Cultural Sector course**, is a training scheme to strengthen digital expertise in the cultural sector. The training, offered through Cultuurconnect on behalf of CJM, is built around five components of digital transformation within cultural organisations: (1) Vision & Policy (2) Knowledge & competences (3) Interaction with target groups, (4) External offer and (5) Internal process. The training offers theoretical knowledge, practical tools, and soft skills building, such as change management.
- The **Digital Maturity Self-Assessment Tool**, offers organisations from the broad cultural field in Flanders and Brussels the opportunity to measure their digital maturity and compare it with that of other similar organisations in the sector. Meemoo (the Flemish Institute for Archives) developed this tool in 2019 on behalf of CJM, in the context of the strategic vision paper *A Flemish cultural policy in the digital age.*

Source: Museumvan Vlaanderen (2023[28]) available at: https://doemee.museumvanvlaanderen.be/project; Cultuurconnect (2023[29]) Education Digital Leadership in the Culture Sector, available at: https://www.cultuurconnect.be/digitaleleiders; Meemoo (2019[30]) available at: https://digitalematuriteit.be/

Funding in the museums sector

There are different classifications for museums in Flanders which affect their ability to apply for structural funding. Currently, 471 organisations describe themselves as museums in Flanders. However, of this number only 66 have received an ICOM quality label as a recognised museum. No subsidy is directly attached to the quality label, but receiving subsidies from the Flemish government is conditional on having a quality label. Additionally, to be subsidised within the Cultural Heritage Decree, the Flemish government classifies all collection managing organisations (including museums) into two levels: regional and national, plus a third category for "cultural heritage institutions" such as the Royal Museum of Fine Arts Antwerp. Presence in either category allows organisations to apply for structural funding. Presently, 47 of 66 ICOM-

labelled museums are funded by the Flemish government. This does not mean, however, that the remainder of those 471 organisations (cf. 424) that do not receive funding from the Flemish government are by default privately financed. Some museums are funded by municipal resources (e.g. the Jakob Smitsmuseum in Mol), whereas others operate with the support of larger public institutions (e.g. the Gents Universiteits Museum).

The larger national museums receive the largest proportion of structural funding from the Flemish government of all organisation types covered by the Cultural Heritage Decree. In 2021, 31% of the total operating subsidy budget of the Flemish government, went to national museums (Jambon, 2021[26]). Regional museums received around 8% of the budget, with the remaining amounts going to other types of heritage organisation covered by the decree (such as archives and heritage libraries).

As well as operational funding, the Flemish government also supports museums through specific grants. Museums can apply for *project subsidies* regardless of their quality label status meaning that organisations without structural funding from the Flemish government can still receive some form of support for their activities. Specifically, the following project-based instruments exist in Flanders:

- A top exhibits policy, for the protection of works with exceptional significance for Flanders
- The administration of its own collection, the objects from which are loaned in perpetuity to museums
- A database policy to support collection registration
- An infrastructure policy that provides infrastructural subsidies for cultural organisations, including museums

Many museums that are not eligible for structural funding can also receive public funding by local actors – most often municipalities. Most municipal governments include an executive mandate concerning cultural matters, sometimes combined with a mandate on tourism. In these cases, the funding modalities and accountability mechanisms are dependent on the local legislation ratified by municipal councils and executed by the office holders in question. In many cases, however, these governance structures resonate regional cultural policy – given that this places non-ranked museums on a trajectory to potential inclusion in the ranking used to allocate structural regional funding.

Financing ongoing work is a significant challenge for the museums sector. The relatively limited volume of structural government funding available to museums in Flanders, the widespread dependency on local funding streams (e.g. municipal resources) and the competitive nature of a sizeable portion of available funding (e.g. project subsidies) makes finding financial resources a core challenge for many Flemish museums.

Additionally, eligibility criteria for government subsidies have prompted to an increased focus on engaging with local communities which has expanded the remit of many institutions. To be eligible for structural funding from the Flemish government, museums must reflect the mission stated in the Cultural Heritage Decree, which tasks them with the need to "*Identify and collect*", "*Maintain and secure*", "*Study*", "*Present and encourage*" and "*Participate*". The specifics of these functions are tailored to the nature of the individual museums, but they nevertheless demonstrate that museums in Flanders are not only expected to pursue excellent performance in terms of their core activities like conservation, but are required to actively improve their engagement with individual visitors and the local ecosystems in which they are embedded. As such, recent years have witnessed a growing emphasis on rationalising how visitors are addressed and monitored – both to optimise operational policies and report on museum performance.

This broader scope of museum activity is reflected across the museums sector. Even though museums that do not receive structural funding from the Flemish government are not formally required to pursue the same overarching strategic goals, many other funders (e.g. municipalities; public institutions) base their expectations towards the museums they fund on the same criteria of the Cultural Heritage

Decree. This has resulted in an increased focus on visitor-centric museum governance and attention for their position in the local ecosystem is more widespread than suggested by the number of museums that receive structural regional funding.

Size and shape of the museums sector in Flanders

Of those recognised by a quality label, larger museums tend to concentrate in the major cities, whereas small and medium size museums are primarily located outside of cities (Jambon, 2021[26]). The vast majority of nationally classified museums are concentrated in the "art cities" (Antwerp, Ghent, Bruges, Leuven and Mechelen), with Ghent and Antwerp having the largest number (seven and eight respectively). Conversely, of the 22 medium sized museums, only three are located in an art city and out of 15 smaller museums, only two are located in an art city.

Visitor numbers vary significantly between museums, but all were hard hit by COVID-19 (Jambon, 2021[26]). In 2019, the national museum with the most visitors received almost 900 000 visitors, while the national museum with the fewest visitors received less than a third of that number (27 500 visitors). For the smaller regional museums, the museum with the most visitors received 125 000 visitors and the museum with the fewest visitors received less than a thirtieth of this number (3 700). COVID-19 had a devastating impact on visitor numbers for almost all museums. Estimates suggest that in 2020, visitor numbers fell by between 50% and 60% at most museums, with those museums who rely most heavily on international tourists seeing a shortfall of 70% or more.

Recent analysis of the museums sector shows high levels of female employment (Jambon, 2021[26]). The museums sector accounts for the largest employment share of the organisation types covered by the Cultural Heritage Decree (80% of total employment). Over half of employed staff across the subsidised museums sector are women and for regional museums over two thirds are women. The vast majority of employees are working on permanent contracts. Though the sector is known to be supported by many freelance workers, these type of jobs are difficult to capture in the data and it is therefore challenging to determine the actual size of the freelance workforce.

Museums, exhibitions, and galleries are the second most engaged with form of cultural participation for Flemish people. The most recent cultural participation survey in Flanders (Statistics Flanders, 2021[27]) shows that 46% of the population visit a museum, exhibition or gallery at least once a year. This is the highest participation rate for all categories of cultural participation (except for historical buildings or monuments) and had higher participation rates than attending a musical performance, concert or festival (42%) and watching a film in the cinema (40%).

Impact and the museums sector

Box 5.2. Museums and local development: overview of potential impacts

- **Supporting local economic development**. In addition to preserving and creating cultural value, museums contribute to the attractiveness of places and hence to local economic development through job creation and revenue generation related to the visitor economy; supporting local hotels, restaurants, shops and their wider suppliers. More long-term benefits can arise from partnerships between museums, local entrepreneurs, businesses and higher education or research institutions that support the dissemination of new technologies and the creation of new products.
- **Fostering urban regeneration and community development**. Museums contribute to both the physical and social design of many cities. Their renovation or construction can stimulate urban regeneration and bring new life into areas losing their social dynamism and traditional economic base. Museums appear to be places where social capital can be built between people of different communities when many traditional meeting places are disappearing.
- **Catalysing culturally aware and creative societies**. Museums have mainly been created to increase cultural awareness and education. With time, this objective has become more complex to also encompass training and life-long learning, and not only for native-born populations but also immigrants and other marginalised communities. A museum's mission is also to promote reflection and self-awareness by providing opportunities to audiences to learn more about their environment and themselves through museum collections. They can change the way people think about many past and contemporary issues and can challenge misperceptions and rigid modes of thinking. By displaying an inventory of past creativity, museums help promote an understanding of why and how things have been created. In that very sense, they may promote a broader culture of creativity.
- **Promoting social inclusion, health, and well-being**. Museums increasingly contribute to individual and collective well-being. Their contributions to health and well-being are particularly important. Other initiatives relating to school drop-outs or the rehabilitation of ex-offenders and the improvement of self-confidence are also significant, but are sometimes neglected since their effects are difficult to evaluate and are only evident in the long term. Local governments could consider museums as resources for both building social capital and promoting social welfare and support the links with social institutions that intervene at the local level. In turn, museums need to build their internal capacities to be more pro-active in this field.

Source: OECD/ICOM (2019[28]), Culture and local development: maximising the impact: A guide for local governments, communities and museums

While achieving various types of impact (Box 5.2) has always been a key objective in the museum sector, its prominence at various levels of museum governance has increased in recent years. Funders, usually national, regional or local governments, are seeking to "rationalise" public spending by requiring museums to maximise the benefits they bring to the broader social, cultural and economic context in which they operate. Museums, in turn, face a decidedly more competitive funding environment and aim to clarify the sometimes diffuse, multifaceted impact they achieve within and beyond their physical locations. But while the notion of impact – or similar concepts like public value or societal benefits – is a core theme in the museum discourse of governments and operating institutions today, questions remain about the continuity or discontinuity between the two.

There is a lack of clarity on how impact can and should be operationalised in the museums sector in Flanders. Analysis[5] highlights that achieving impact is seen as a self-evident part of museums' societal function, and administrators are convinced that their organisations achieve it to varying degrees (see Box 5.3). However, there is less consensus on whether museums *ought* to pursue and generate impact in different forms. As the concept of impact is difficult to define and operationalise, many museum sector actors note that it is problematic to translate it into specific imperatives and evaluation tools. The impact strategies that most museum administrators identify as components of successful impact practices are therefore usually closely linked to general aspects of museum governance, specifically visitor-centred museum management or rationalising resource use (in particular, earmarking the resources for specific tasks, assignments and purposes).

There is a need for greater support and development of evaluation tools to support impact in the museums sector in Flanders. Many museums perceived a lack of sufficient financial and operational government support for impact as a barrier to them perusing wider impact goals. Moreover, there is a perceived need for bottom-up impact approaches developed in partnership with stakeholders and actors in the field, rather than through top-down initiatives. While the value and legitimacy of pursuing impact is widely recognised, there is opportunity to support the realisation of these ambitions more effectively through collaborative development.

[5] During the period February 15, 2022 - March 11, 2022, a survey was conducted at the museums in Flanders recognized by the Flemish government. Full analysis of this survey can be found in Annex D.

Box 5.3. Impact activities in the Flemish museum sector

Interviews with the museum sector in Flanders (see Annex D) show a wide range of impact activities are being initiated:

Economic development – tourism and business development

- To generate additional income rather than solely relying on subsidies, one of the museums made **deals with local businesses**. For example, it organised the book launch of an industry-related publication in the museum to promote both local businesses as well as the museum itself, and promoted new commercial products of one of its business partners.
- An initiative by a museum in a small city was centred on using the museum as **a venue for bringing local businesspeople together** to stimulate collaborations and to act as a facilitator of local economic initiatives.
- In collaboration with the local tourist department one of the museums provided **customised package deals for groups of tourists** in which the museum visit, hotel bookings and meals in restaurants were included.

Education

- One of the museums created **awareness campaigns** as education material for young people, organised lectures and debate evenings, and collaborated with an information centre that covered one of the central topics of the museum in order to educate citizens on a risky and sensitive subject matter.
- Several museums had **partnerships with schools** to organise regular visits to the museum and to provide targeted education material in relation to the exhibition. One of them even created an **exhibition of artworks created by students** with a migration background.
- One of the museums had initiated a project in which it attempted to **increase the imagery literacy** of a group of students, to teach them how to critically deal with images. After the 3-year project, the class had a test score that was 10% higher than their peers.

Inclusion

- One of the museums organised **extramural activities** to reach target groups who struggle to physically access the museum itself, such as projects for the inhabitants of **residential care centres**.
- Several museums developed packages for **blind and visually impaired** visitors. For example, one of them created a **smell and taste-oriented sensory experience**.
- One of the museums collaborated with an arts centre that is connected to a hospital to set up projects in which **young people with a poor mental health** could participate to help them to **re-integrate in society**.
- To include the inhabitants of a **deprived area** in the city, one of the museums developed a project that resulted in a **photo exhibition** about this neighbourhood in which the voices of the inhabitants were represented.

Wellbeing

- One of the museums organised special events during car free Sunday and developed **programmes for sport departments** of schools to stimulate the physical and mental wellbeing of participants.

- Another museum organised an exhibition to stimulate the memory and psychological wellbeing of people who suffer from **dementia** by bringing them in contact with **objects from their youth**.
- To generate more awareness around the psychological **wellbeing of young people** one of the museums planned to organise an **exhibition** on this topic in collaboration with local partners.

Source: Interview data (see Annex D)

Policy considerations

Increased support for revenue generation in the museums sector could help to fund the expanded activates that many museums are engaged in

Museums in Flanders are engaging in an increasing amount of activity to support wider impact goals. This includes additional activities to engage with local communities, to support tourism and business development, to foster social inclusion, and to promote health and well being. Additionally, museums are adjusting to increased digitisation, developing new tools and digital approaches that meet the requirements of today's society. This work requires substantial resources in regard to time, money and capabilities.

Support to help museums increase their revenue streams could provide a way to help sustain this increased activity in the medium and long term. While an increase in direct support for the museums sector (e.g. grants and subsidies) would be welcomed, alternative forms of support to help diversify and expand additional revenue streams could aid in the long term financial stability of the sector. The Digital Leadership in the Cultural Sector initiative is a good example of such support. Offering further guidance, training support and good practices around alternative revenue generation could be a future direction for museums policy to consider.

Museums in Flanders require additional support in achieving their impact ambitions

Co-designing tools for impact measurement and evaluation could help offer direction for the museums sector. Currently measuring and evaluating the impact is limited and many museums rely primarily on visitor number data to support their monitoring and evaluation efforts. Developing tools and methodologies to help museums assess the broader impact they have (including through more qualitative data) would greatly aid in further impact development. Such efforts would benefit from a collaborative approach, where tools and indicators and developed collaboratively with the sector.

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Annex A. Definitions and methodology

Cultural and creative sectors: what's included

Table A A.1. Sectors included in cultural and creative sectors

NACE code and title
18.1 Printing and service activities related to printing
18.2 Reproduction of recorded media
32.2 Manufacture of musical instruments
47.61 Retail sale of books in specialised stores
47.62 Retail sale of newspapers and stationery in specialised stores
47.63 Retail sale of music and video recordings in specialised stores
58.1 Publishing of books, periodicals and other publishing activities
58.21 Publishing of computer games
59 Motion picture, video and television programme production, sound recording and music publishing activities
60 Programming and broadcasting activities
63.91 News agency activities
71.11 Architectural activities
74.1 Specialised design activities
74.2 Photographic activities
74.3 Translation and interpretation activities
77.22 Renting of video tapes and disks
85.52 Cultural education
90 Creative, arts and entertainment activities

Source: OECD (2022[15]), The Culture Fix: Creative People, Places and Industries, DOI: 10.1787/991bb520-en.

Government spending on cultural services: what's included

Government spending on recreation, culture, and religion includes expenditure on services provided to individual persons and households, expenditure on services provided on a collective basis, as well as capital expenditure (capital transfers and direct investment). Individual expenditure is allocated to groups (1) and (2); expenditure on collective services is assigned to groups (3) to (6). Collective services are provided to the community as a whole.

1. Recreational and sporting services
2. Cultural services:

   Provision of cultural services; administration of cultural affairs; supervision and regulation of cultural facilities; operation or support of facilities for cultural pursuits (libraries, museums, art galleries, theatres, exhibition halls, monuments, historic houses and sites, zoological and botanical gardens, aquaria, arboreta, etc.); production, operation or support of cultural events (concerts, stage and film productions, art shows, etc.); grants, loans or subsidies to support individual artists, writers, designers, composers and others working in the arts or to organisations engaged in promoting cultural activities. Includes: national, regional or local celebrations provided they are not intended chiefly to attract tourists. Excludes: cultural events intended for presentation beyond national

boundaries (01.13); national, regional or local celebrations intended chiefly to attract tourists (04.73); production of cultural material intended for distribution by broadcasting (08.30)

3. Broadcasting and publishing services
4. Religious and other community services
5. R&D recreation, culture, and religion
6. Recreation, culture and religion n.e.c.

Source: Eurostat (2019) *Manual on Sources and Methods for the Compilation of COFOG Statistics*, European Union, Luxembourg

Turnover calculations

The turnover, or sales, of a sector gives a crude idea of the demand for its products and services. The data used for this estimation stem from the annual reports on the accountancy from companies active in this sector. BelFirst (by Bureau Van Dijk) gathers all these data from 2011-2019. These data are self-reported and are only recorded for firms with a VAT registration. This database contains quite a lot of missing values as not all firms, especially the small ones, are required to publish this information. Much of the information is estimated using the number of reported employees (following the EWI method a 1 is imputed if the average employment is missing as well). The average turnover by employee per CCS-subsector is calculated from the non-missing data, accounting for the date of creation, and then multiplied by the number of employees in that subsector. These are aggregated to an annual result. Please note that only wage employment is considered as VAT declaring firms are the only ones for which data on turnover is available. This implies that the total turnover is likely to be an underestimation of reality.

GVA calculations

Gross value added (GVA) is an indicator that measures the value of goods and services produced in a sector in a region. As such it is an indication of the contribution of CCS in the Flemish Region. A similar method as in the previous indicator on turnover is used. The average GVA per employee for each subsector is calculated and then multiplied by the official number of employees (wage earners and self-employed) in that subsector.

Annex B. Additional Tables

Table A B.1. Turnover in the cultural and creative sector (current prices)

Millions Euro

	Brussels-Capital Region	Annual change (in %)	Flemish Region (FLR)	Annual change (in %)	Flanders+	Annual change (in %)	Flanders++	Annual change (in %)
2011	4 281.0		14 719.7		14 999.2		16 004.0	
2012	4 562.2	6.57	15 600.6	5.98	15 898.5	6.00	16 969.3	6.03
2013	4 512.7	-1.09	15 890.0	1.85	16 184.7	1.80	17 243.8	1.62
2014	4 680.1	3.71	16 309.8	2.64	16 615.4	2.66	17 713.8	2.73
2015	4 693.4	0.28	17 529.3	7.48	17 835.7	7.34	18 937.3	6.91
2016	4 918.3	4.79	17 691.7	0.93	18 012.8	0.99	19 167.1	1.21
2017	5 097.4	3.64	19 083.8	7.87	19 416.6	7.79	20 613.0	7.54
2018	5 297.9	3.93	19 836.7	3.95	20 182.7	3.95	21 426.1	3.94
2019	5 344.2	0.87	20 087.7	1.27	20 436.7	1.26	21 691.0	1.24
CV	7.37		10.77		10.71		10.50	
CAGR	2.81		3.96		3.94		3.87	

Notes: The coefficient of variation (CV) is calculated as the standard deviation divided by the mean and, thus, shows the extent of variability in relation to the mean of the population. It allows for comparison of different time series. The CV is adapted for the small number of years. The compound annual growth rate (CAGR) is a measure of the linear evolution between 2011 and 2019 and expressed as a %.
Source: BelFirst; own calculations.

Table A B.2. Turnover in the cultural and creative sector

Millions Euro, 2015 prices

	Brussels-Capital Region	Annual change (in %)	Flemish Region (FLR)	Annual change (in %)	Flanders+	Annual change (in %)	Flanders++	Annual change (in %)
2011	4 523.3		15 552.7		15 848.0		16 909.7	
2012	4 727.7	4.52	16 166.4	3.95	16 475.1	3.96	17 584.8	3.99
2013	4 617.7	-2.33	16 259.6	0.58	16 561.2	0.52	17 644.9	0.34
2014	4 742.4	2.70	16 526.8	1.64	16 836.4	1.66	17 949.5	1.73
2015	4 693.4	-1.03	17 529.3	6.07	17 835.7	5.94	18 937.3	5.50
2016	4 825.6	2.82	17 358.2	-0.98	17 673.3	-0.91	18 805.9	-0.69
2017	4 911.5	1.78	18 387.9	5.93	18 708.6	5.86	19 861.4	5.61
2018	5 023.1	2.27	18 807.8	2.28	19 135.8	2.28	20 314.7	2.28
2019	4 984.5	-0.77	18 735.5	-0.38	19 061.0	-0.39	20 230.9	-0.41
CV	3.39		6.75		6.69		6.48	
CAGR	1.22		2.35		2.33		2.27	

Notes: The coefficient of variation (CV) is calculated as the standard deviation divided by the mean and, thus, shows the extent of variability in relation to the mean of the population. It allows for comparison of different time series. The CV is adapted for the small number of years. The compound annual growth rate (CAGR) is a measure of the linear evolution between 2011 and 2019 and expressed as a %.
Source: BelFirst (2021); MSTI (OECD, 2021) where 2015=100; own calculations.

Table A B.3. Gross value added in cultural and creative sectors (current prices)

Millions Euro

	Brussels-Capital Region	Annual change (in %)	Flemish Region (FLR)	Annual change (in %)	Flanders +	Annual change (in %)	Flanders++	Annual change (in %)
2009	2 254.2		5 128.3		5 275.5		5 804.6	
2010	2 348.6	4.19	5 243.8	2.25	5 397.2	2.31	5 948.4	2.48
2011	2 420.3	3.05	5 464.8	4.21	5 622.8	4.18	6 190.9	4.08
2012	2 590.0	7.01	5 413.6	-0.94	5 582.7	-0.71	6 190.6	0.00
2013	2 591.9	0.07	5 663.2	4.61	5 832.4	4.47	6 440.7	4.04
2014	2 622.8	1.19	5 697.1	0.60	5 868.4	0.62	6 483.9	0.67
2015	2 615.8	-0.27	5 861.7	2.89	6 032.5	2.80	6 646.5	2.51
2016	2 610.5	-0.20	6 115.1	4.32	6 285.5	4.19	6 898.2	3.79
2017	2 684.9	2.85	6 097.8	-0.28	6 273.1	-0.20	6 903.2	0.07
2018	2 633.9	-1.90	6 266.4	2.77	6 438.4	2.64	7 056.6	2.22
CV	5.50		6.61		6.56		6.38	
CAGR	1.75		2.25		2.24		2.19	

Notes: The coefficient of variation (CV) is calculated as the standard deviation divided by the mean and, thus, shows the extent of variability in relation to the mean of the population. It allows for comparison of different time series. The CV is adapted for the small number of years. The compound annual growth rate (CAGR) is a measure of the linear evolution between 2009 and 2018 and expressed as a %.
Source: NBB.stat (2021), RSZ (2021) second quarter of the year; RSVZ (2021); own calculations

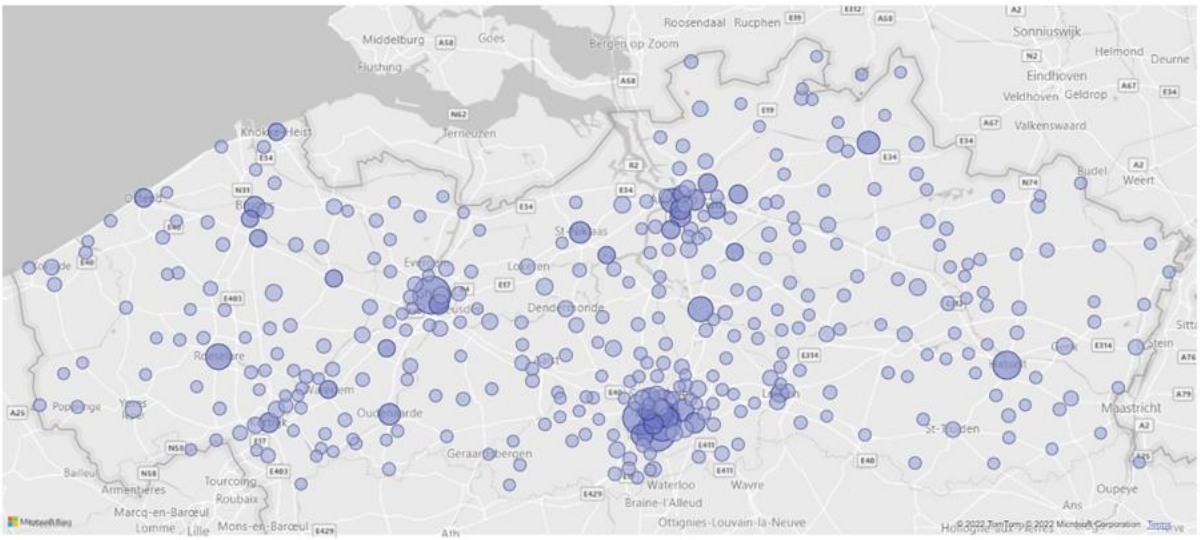
Table A B.4. Total jobs in cultural and creative sectors

	Brussels-Capital Region	Annual change (in %)	Flemish Region (FLR)	Annual change (in %)	Flanders +	Annual change (in %)	Flanders ++	Annual change (in %)
2009	27 475		84 382		86 176		92 624	
2010	27 475	0.00	84 922	0.64	86 716	0.63	93 164	0.58
2011	27 635	0.58	85 112	0.22	86 917	0.23	93 403	0.26
2012	27 679	0.16	84 651	-0.54	86 459	-0.53	92 954	-0.48
2013	27 447	-0.84	84 089	-0.66	85 881	-0.67	92 323	-0.68
2014	27 607	0.58	83 664	-0.51	85 467	-0.48	91 946	-0.41
2015	28 016	1.48	84 741	1.29	86 570	1.29	93 146	1.31
2016	28 544	1.88	85 576	0.99	87 440	1.00	94 140	1.07
2017	28 973	1.50	86 491	1.07	88 383	1.08	95 183	1.11
2018	29 144	0.59	89 468	3.44	91 371	3.38	98 211	3.18
2019	28 915	-0.79	90 486	1.14	92 375	1.10	99 161	0.97
CV	2.35		2.53		2.51		2.48	
CAGR	0.51		0.70		0.70		0.68	

Notes: The coefficient of variation (CV) is calculated as the standard deviation divided by the mean and, thus, shows the extent of variability in relation to the mean of the population. It allows for comparison of different time series. The CV is adapted for the small number of years. The compound annual growth rate (CAGR) is a measure of the linear evolution between 2009 and 2019 and expressed as a %.
Source: RSZ, 2021 (second quarter of the year); RSVZ; own calculations

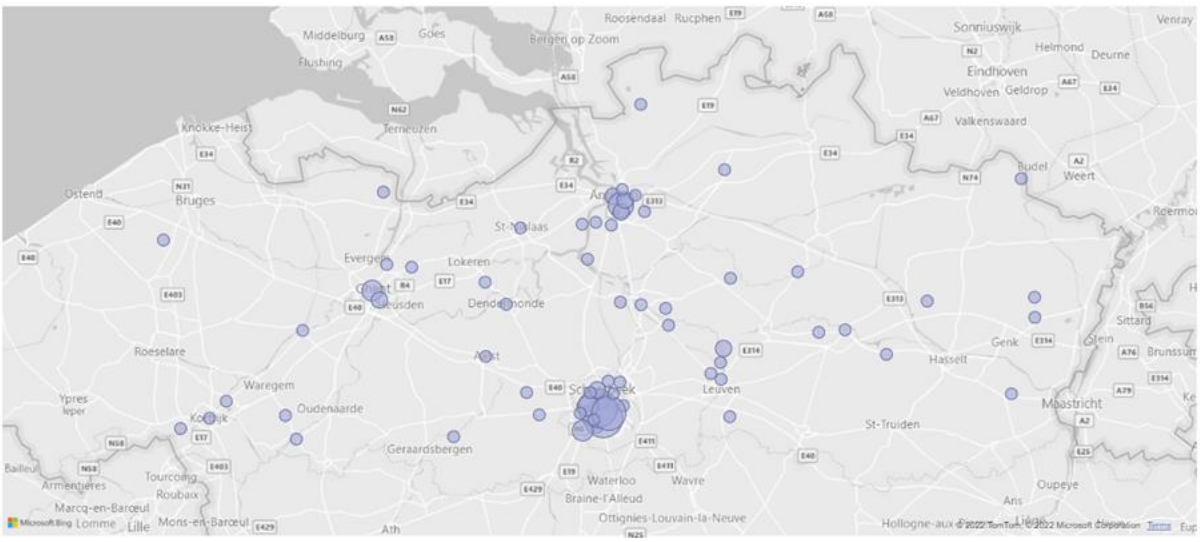
Annex C. Geographic concentration of CCIs

Figure A C.1. Printing and service activities related to printing (NACE 18.1)



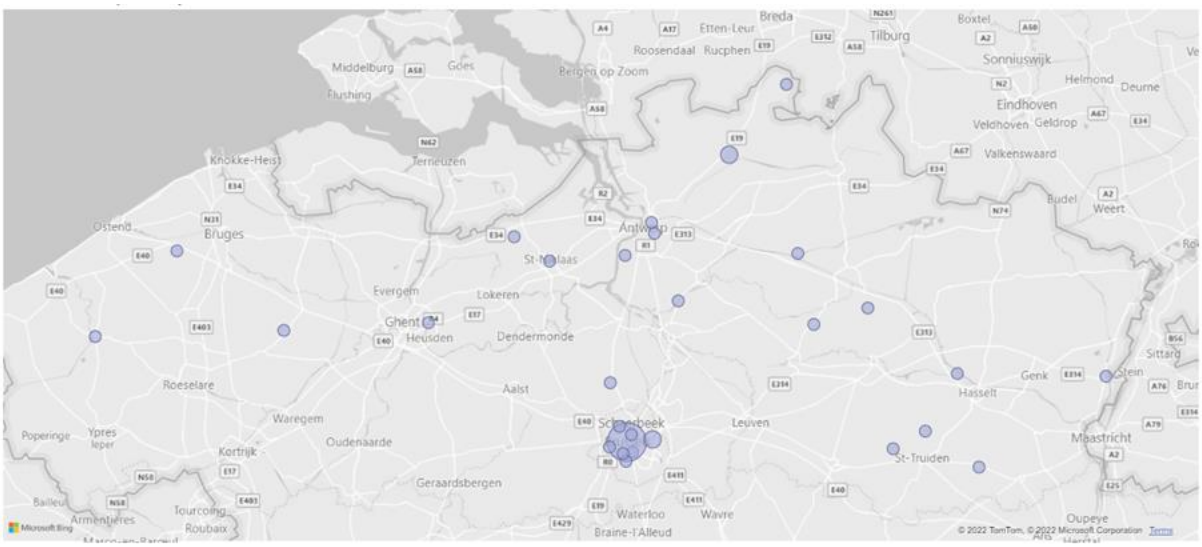
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.2. Reproduction of recorded media (NACE 18.2)



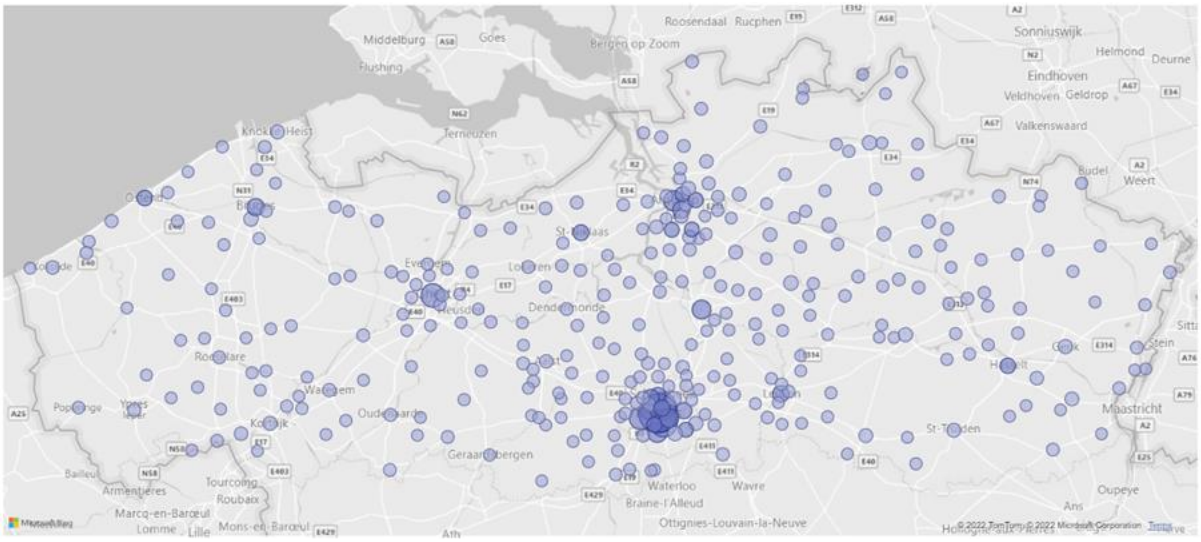
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.3. Manufacturers of musical instruments (NACE 32.2)



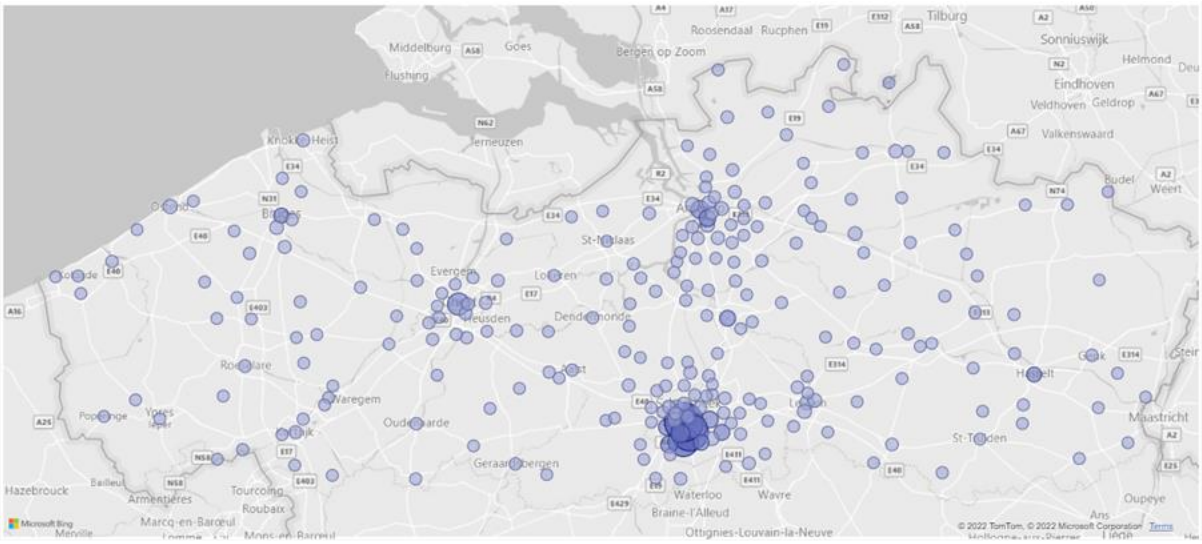
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.4. Retail sale of cultural and recreational goods in specialised stores (NACE47.6)



Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.5. Publishing of books, periodicals and other publishing activities (NACE 58.1)

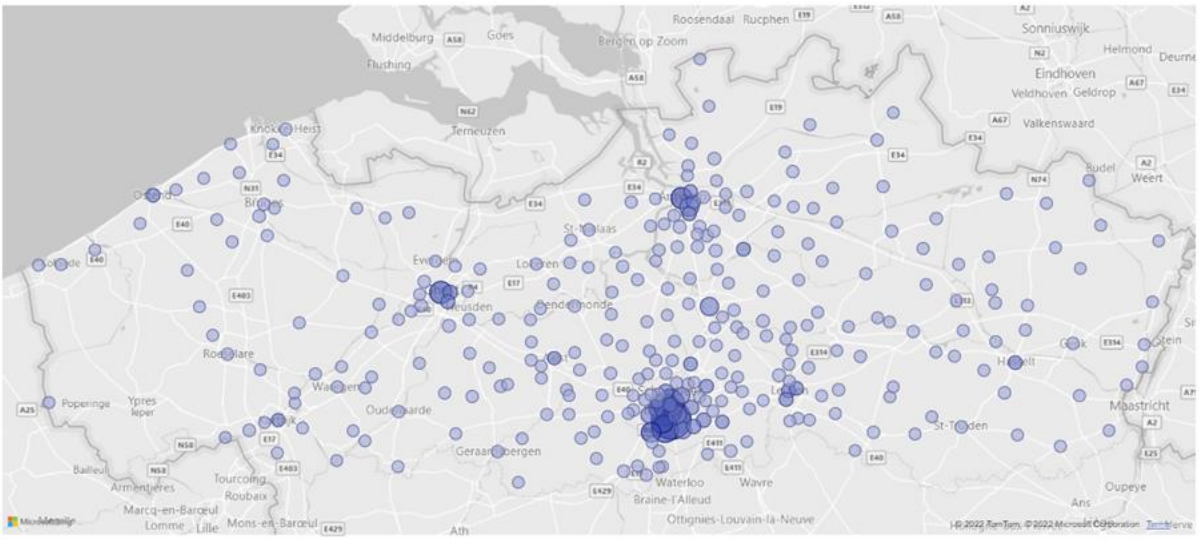


Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.6. Software publishing (NACE 58.2)

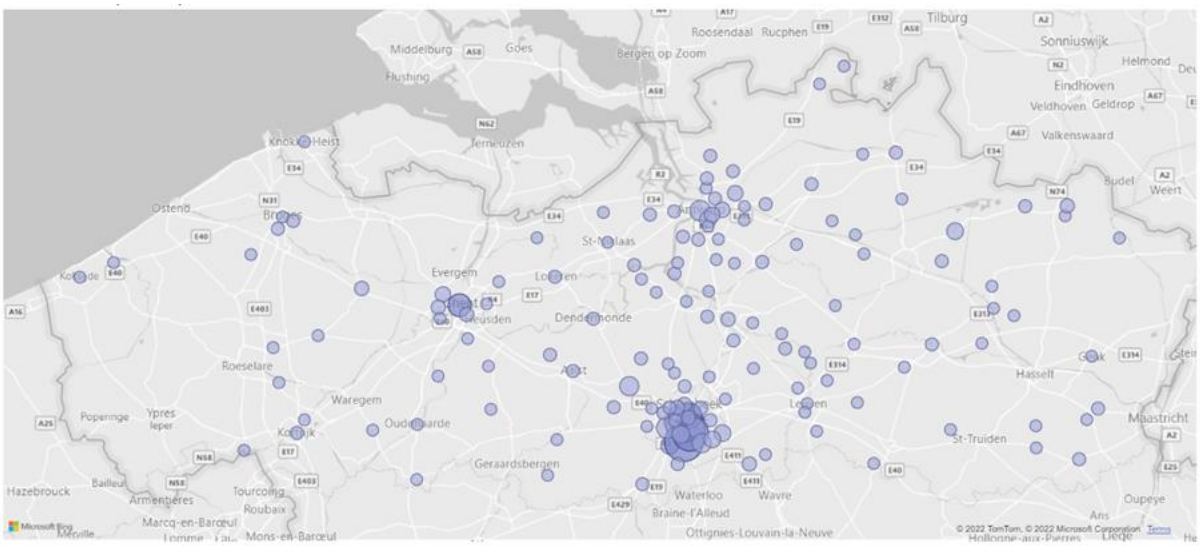
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.7. Motion picture, video and television programme activities (NACE 59.1)



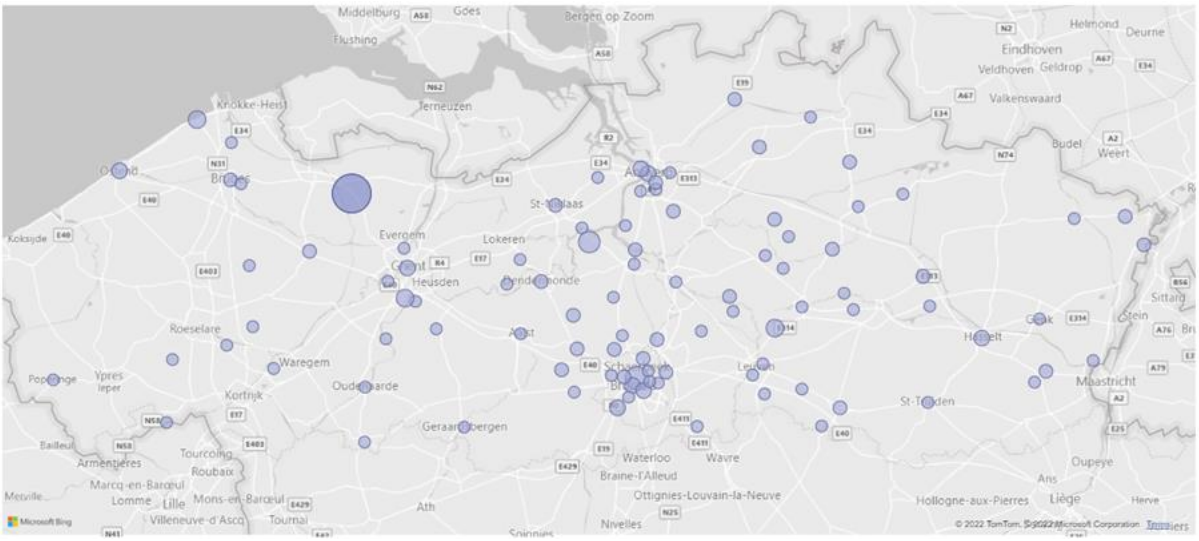
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.8. Sound recording and music publishing activities (NACE 59.2)



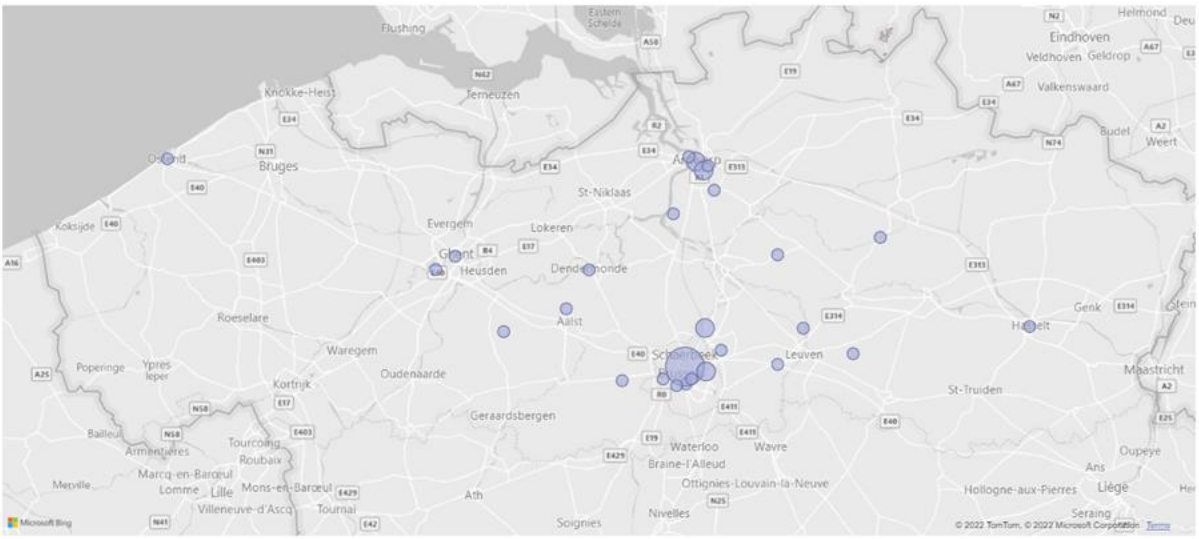
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.9. Radio broadcasting (NACE 60.1)



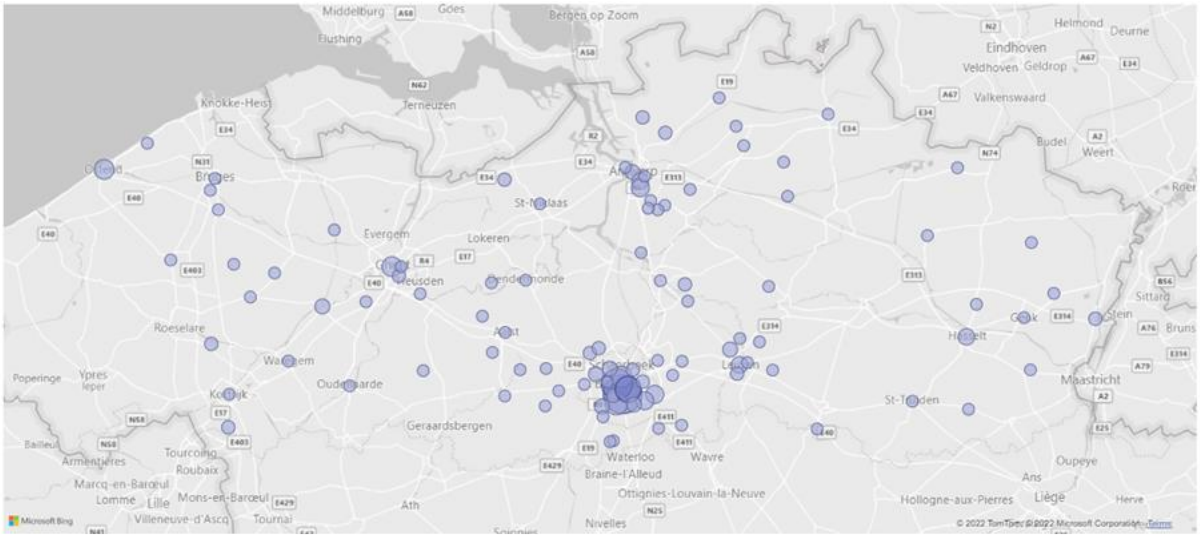
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.10. Television programming and broadcasting activities (NACE 60.2)



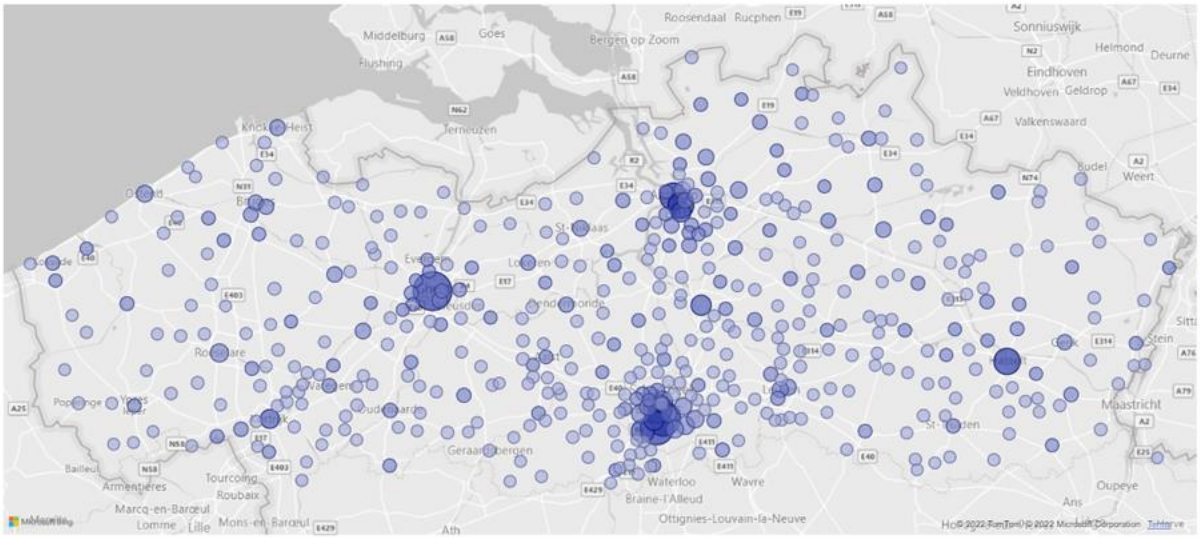
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.11. Other information service activities (NACE 63.9)



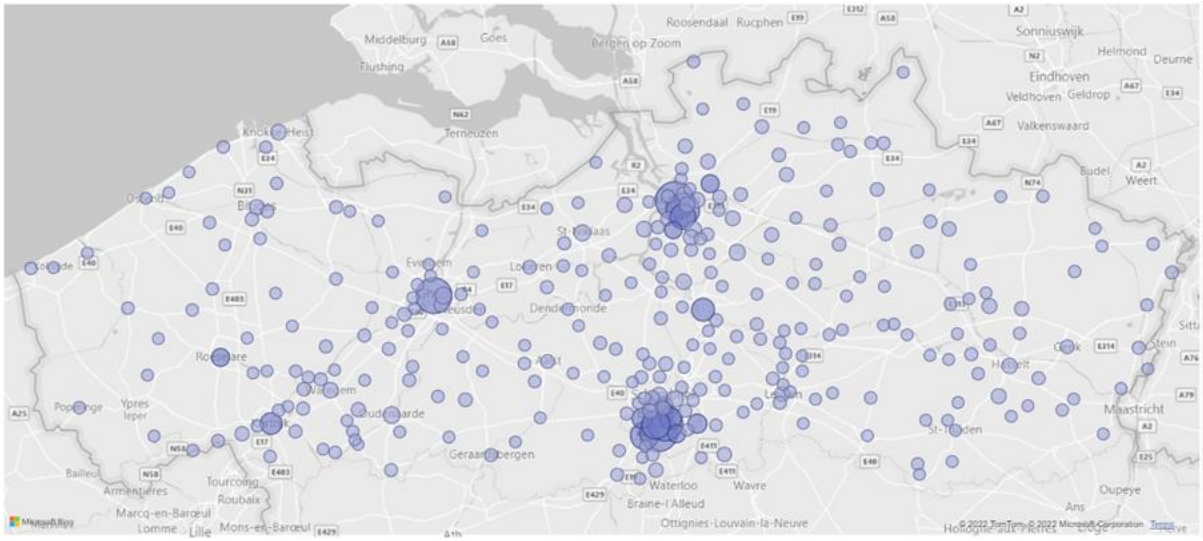
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.12. Architectural and engineering companies (NACE 71.1)



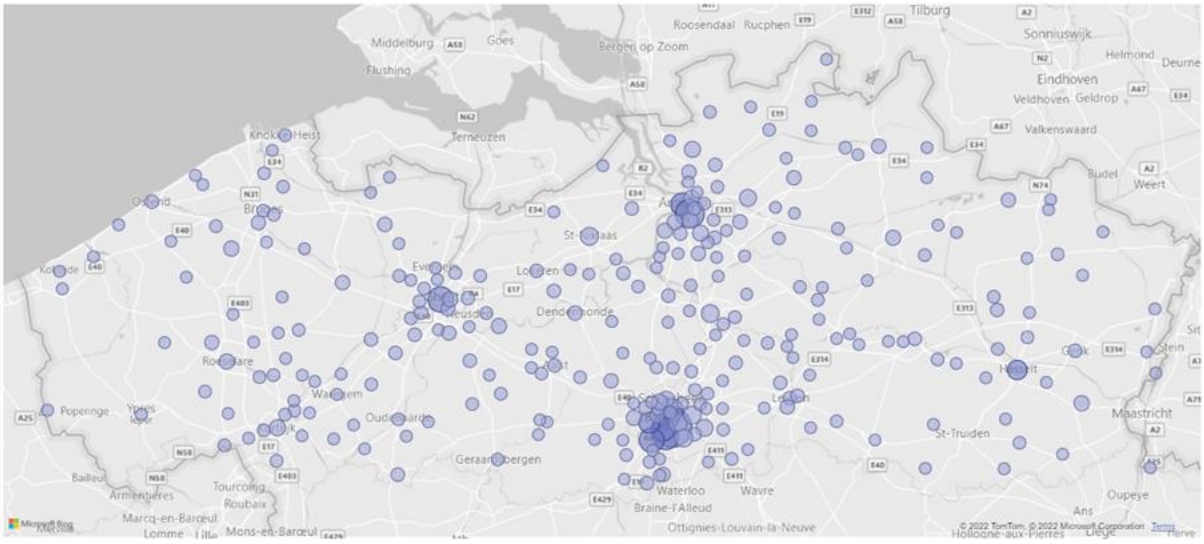
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.13. Specialised design activities (NACE 74.1)



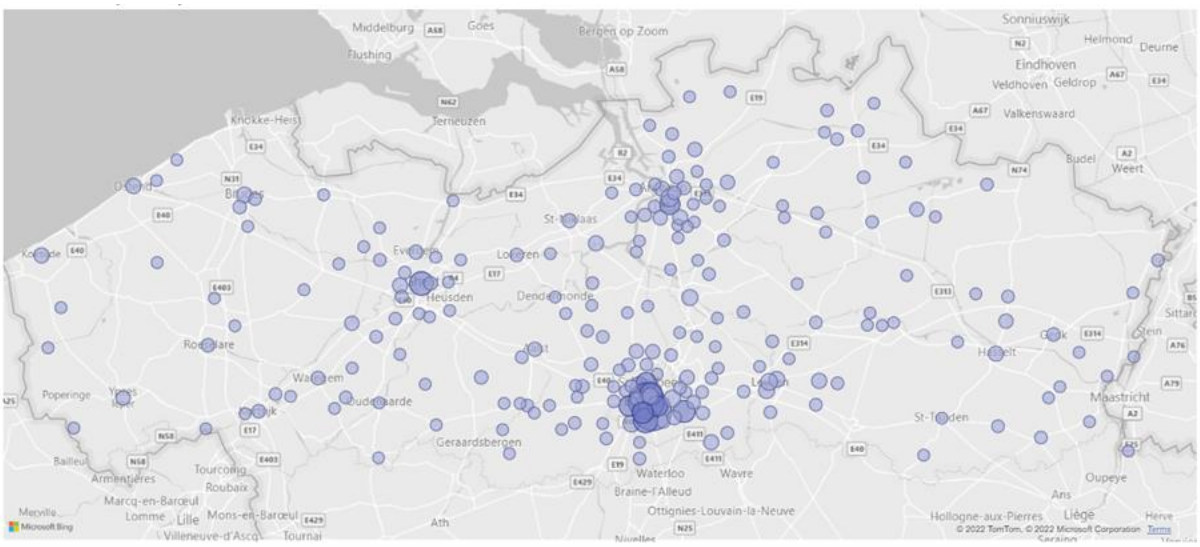
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.14. Photographic activities (NACE 74.2)



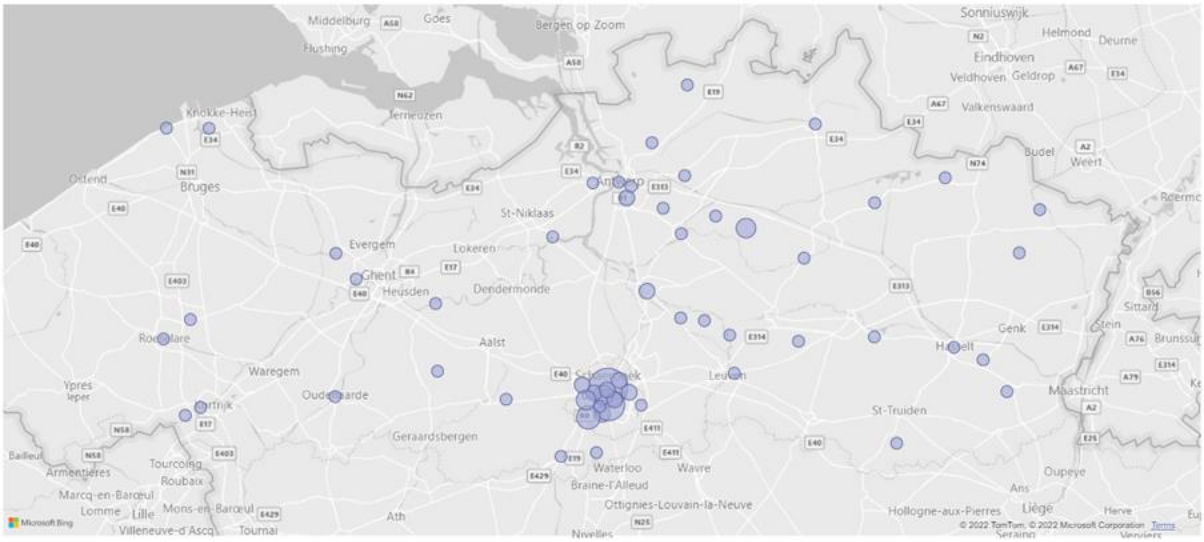
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.15. Translation and interpretation activities (NACE 74.3)



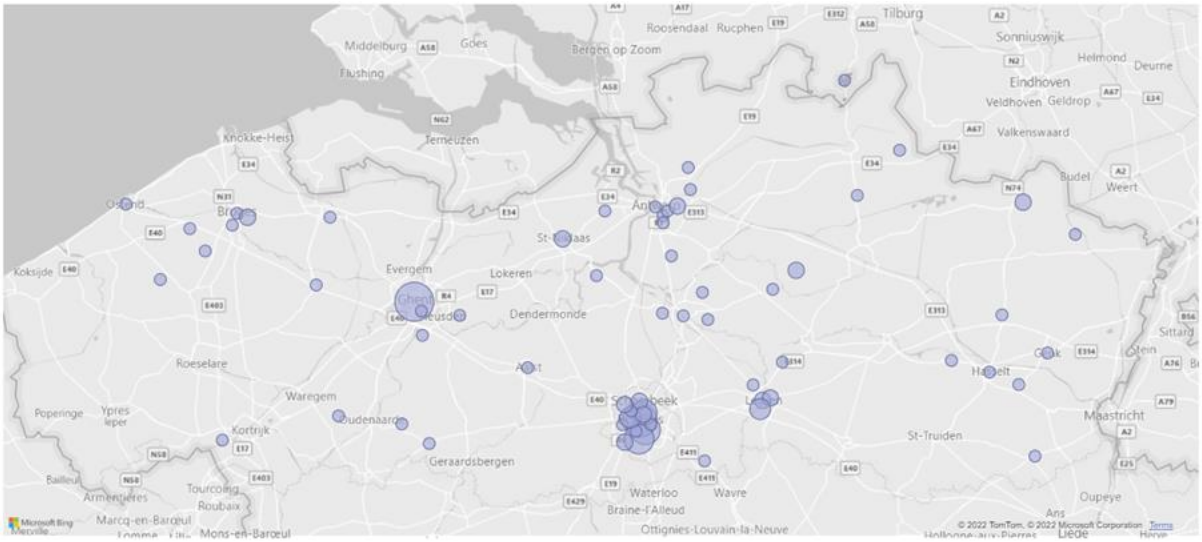
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.16. Renting and leasing of personal and household goods (NACE 77.2)



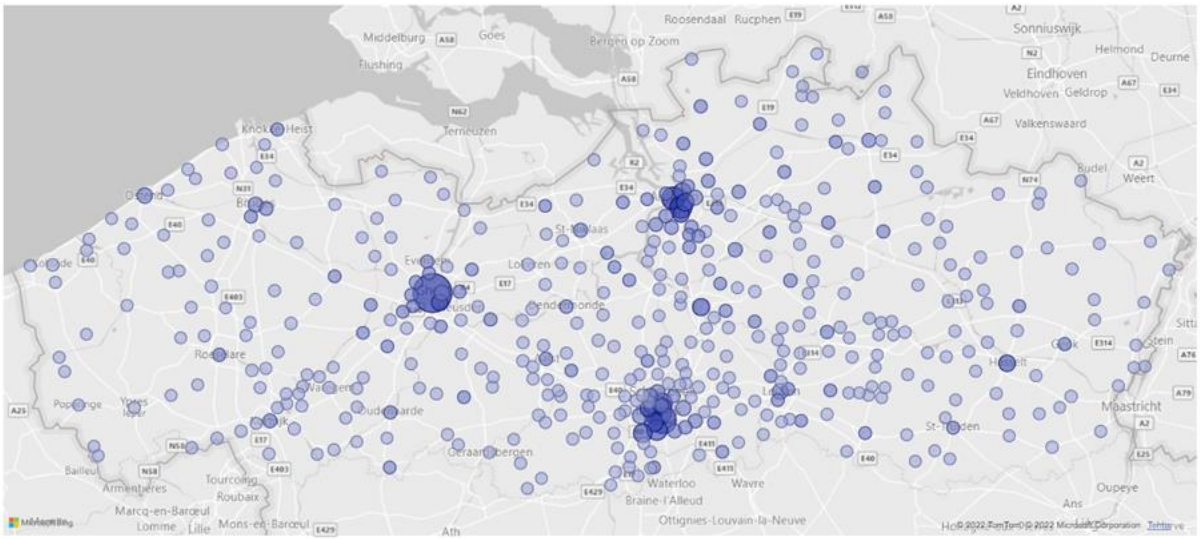
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.17. Cultural education (NACE 85.5)



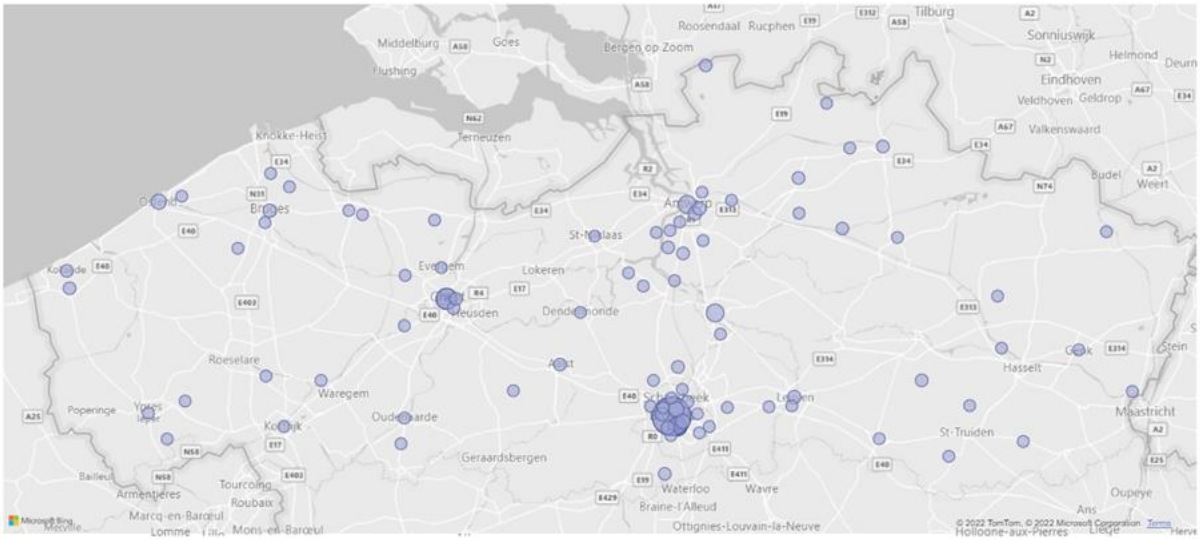
Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.18. Creative, arts and entertainment activities (NACE 90.0)



Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Figure A C.19. Libraries, archives, museums and other cultural activities (NACE 91.0)



Source: OECD calculations on RSZ, 2021 (second quarter of the year)

Annex D. Impact ambitions, practices and challenges in the Flemish museum sector

Introduction

During the period 15 February 2022 – 11 March 2022, a survey was conducted of the museums in Flanders recognised by the Flemish government. For the 89 museums that were contacted, 22 fully completed surveys were received. This online survey was combined with a series of 15 in-depth interviews conducted at five museums, designated by the Flemish government, and their social stakeholders. This Annex discusses the results of this survey enriched with the data gathered through the 15 additional in-depth interviews. *The OECD-ICOM Guide for Local Governments, Communities and Museums* formed the basis for both the survey and the interviews, but the questions were updated given the specific Flemish context.

Data analysis highlights how 'impact' is generally perceived in the sector. It is seen as a self-evident part of museums' societal function, and administrators are convinced that their organisations achieve it to varying degrees. However, there is less consensus on whether museums *ought* to pursue and generate impact in different forms. As the concept of impact is difficult to define and operationalise, many museum sector actors note it is problematic to translate it into specific imperatives and evaluation tools. The impact strategies that most museum administrators identify as components of successful impact practices are therefore usually closely linked to general aspects of museum governance, specifically visitor-centred museum management or rationalising resource use (in particular, earmarking the resources for specific tasks, assignments and purposes). The pursuit of impact is largely viewed an inherent aspect of museums' operations and part of their day-to-day business. However, respondents point out that there is limited financial and operational support from governments to professionalise the impact they expect in return for public funding. They also voice concerns towards top-down policy initiatives on the subject, and display aversion to managerial, quantitative conceptions of impact and its evaluation. Below, these findings are discussed in detail, followed by a brief conclusion.

Flemish museums take a broad approach to "impact"

Both the survey data and the interviews clearly show that achieving impact is a core characteristic of the museum sector. Indeed, all respondents (n = 22) answer positively (cf. 'somewhat agree', 'agree' and 'completely agree'), and the vast majority of respondents (cf. n = 16) 'completely agree' with the statement that museums have the potential to 'stimulate local economic development', could 'drive urban renewal and community building', may 'catalyse cultural sensitivity' and 'provide a space to further inclusion and wellbeing' (see Table 1). In doing so, Flemish museums indicate that they are convinced that their impact potential is substantially broader than the effects of their core activities – such as knowledge transfer or providing leisure. This, in turn, suggests that museums consider more than just their narrowly defined mission in how they position themselves in their environment. From contemporary art institutions to heritage museums, museums in Flanders think beyond merely conserving and presenting their collections, and are aware of the possible effects they have on the surrounding socio-cultural ecosystem. As one interviewee notes: "if your museum has no impact, it has no reason to exist".

Table A D.1. Responses on impact potential, responsibilities and management

Answer	Museums can achieve impact in one or all of the domains mentioned.	Museums should achieve impact in one or all of the domains mentioned.	Achieving one or all of these impact forms is included in our annual plans.	Achieving one or all of these impact forms is addressed in a strategic plan or vision note.
Completely disagree	0	0	0	0
Disagree	0	0	0	0
Somewhat disagree	0	1	0	0
Neutral	0	1	1	1
Somewhat agree	2	5	3	2
Agree	4	7	3	4
Completely agree	16	8	15	15

Note: Forms of impact in the survey include i) stimulate local economic development, ii) drive urban renewal and community building, iii) catalyse cultural sensitivity, ad iv) provide a space to further inclusion and wellbeing.
Source: Survey of government recognised museums in Flanders conducted Q1 2022 for this case study.

The widespread conviction among reporting Flemish museums that their potential benefits to society extend far beyond the direct impact they have on visitors is reflected in the broad attention paid to the topic in museum governance. Most surveyed institutions (n = 15) report that various forms of impact are addressed in their annual plans (Table A D.1). But the relevance of impact to annual plans and strategic plans requires nuance, as museum administrators usually do not distinguish 'impact' as a stand-alone topic in museums' activities. One respondent comments: "What does impact mean for the museum? You won't read that in a specific paragraph in the report. […] The entire annual report is impact! It maps out what we did and how we tried to make a difference." Indeed, the interviews demonstrate that the societal impact of museums is conceived as embedded in the daily activities of these institutions, and not seen as something separate from their overall activities. This could explain why survey data show that few museums allocate staff positions (n = 7) or managerial roles (n = 7) to its pursuit.

Several interviewees emphasised the multifaceted nature of impact. One of them describes it as a mix of "knowledge dissemination, education, development of leisure time and aesthetic experience, [facilitating] togetherness, discovery, transgressive thinking […], city marketing, and tourism". Another respondent defines impact as a threefold aspiration: to generate involvement from a wide target audience through a participative and collaborative approach, to exert influence by stimulating debate, and to facilitate economic impact as a result of tourism. Perhaps due to the lack of clarity on what constitutes societal impact in the museum sector, survey respondents seem less unanimous on whether its achievement should be a formal expectation. Compared to the strong consensus in the responses to the query about museums' potential to realise societal benefits, the relative diversity in the responses to the demand to do so (Table A D.1) indicates a recognition that pursuing societal impact is laudable, but should not necessarily translate into clear performance indicators. As one interviewee states: "impact is a container concept" – echoing the general belief that it is almost impossible to structurally evaluate and assess their various forms of societal impact.

Despite the variation in how societal impact is conceptualised by museum administrators, both the survey results and the interviews reveal that it mostly reflects traditional notions of museum functions. All but one of the museums queried in the survey "completely agree" (n = 13) or 'agree' (n = 8) that they contribute to catalysing "culturally sensitive communities" (Table A D.2) – the form of impact that arguably aligns most closely with common understandings of museums' role and benefits. When talking about impact,

respondents typically refer to the idea that museums bring together different types of people, facilitate the exchange of (contrasting) views and ideas, stimulate debate on potentially controversial topics, and motivate people to open up to other views and ways of seeing the world. Respondents mention how a museum generates impact when it "gives people different ideas", when it "not necessarily changes something, but sets something in motion", when it forms "a space to learn" and stimulates "a sort of respect for different visions", "generates a sort of imbalance, triggers to not look at things automatically but rather to view critically", offers "a space for reflection" that facilitates conversations "between different groups of people" and "shines a different light [on a topic] and broadens people's vision". One of the respondents mentions how a museum "is a sort of free space, a safe place and a brave place, a place where different actors can come together where there can be polyphony and room to experiment and give people a voice".

These sentiments are echoed in the survey responses around community-building and the promotion of inclusion and personal wellbeing (Table A D.2) and in the conducted interviews. Indeed, according to several respondents, every museum *automatically* generates impact in this area. For example, several respondents mention how museums played a crucial role in emotional wellbeing during a large part of the first COVID-19 lockdown, and a few of them refer to how museum visits can be prescribed by doctors in Brussels and elsewhere as a treatment to promote psychological wellbeing.

Table A D.2. Responses on achieved impact

Answer	With our museum's activities, we contribute to the creation of a culturally sensitive and creative society.	With our museum's activities, we provide a space for inclusion and wellbeing.	With our museum's activities, we contribute to local and regional economic development.	With our museum's activities, we play a role in urban renewal and community building.
Completely disagree	0	0	0	0
Disagree	0	0	0	0
Somewhat disagree	0	0	1	0
Neutral	0	0	0	0
Somewhat agree	1	6	5	6
Agree	8	4	9	4
Completely agree	13	12	7	12

Source: Survey of government recognised museums in Flanders conducted Q1 2022 for this case study.

This perceived relevance of museums to individuals' emotional wellbeing is then tied to their benefits for urban regeneration and community building. Interviewees describe their organisations as vibrant places where "children, teenagers and adults frequently want to go", as centres that are deeply embedded in the local community and in which visitors can recognise themselves and "feel at home". Extramural activities are often employed as specific tools to generate the involvement of local communities, a more recent function.

In addition to these "soft" impact areas, survey respondents also agree that museums provide some economic benefit to their surroundings – although the level of agreement is less pronounced than in other areas (Table A D.2) Nevertheless, interview participants often mention the positive impact of museums on the local economy, by referring to partnerships with businesses, or by emphasising the promotion of tourism and city marketing. Although many respondents portray this form of impact as a beneficial side-effect of the core focus of museums, they generally acknowledge and underline the significance of this

impact aspect. Respondents often provide examples of ways in which a particular museum actively sought opportunities to work together with local businesses, typically through discounts and promotional tactics, but sometimes also through other initiatives such as providing a space for business people to meet or set up collaborative projects.

Impact practices vary among Flemish museums

Though museum administrators recognise the importance of impact and are convinced that their institutions achieve it – usually as a result of general museum activities, there is little consensus on its definition. Given the lack of official guidance on what societal impact is and how it should be achieved, there is much variation in the practices that museums have developed to pursue it. The design and implementation of these strategic approaches clearly reflect the fact that governmental actors at local and regional levels not only require them to achieve societal impact, but their performance in this area is also assessed in evaluation exercises (Table A D.3).

Table A D.3. Responses on the perceived demand and evaluation of societal impact

Answer	The Flemish government requires us to realise one or multiple of the aforementioned impact forms.	The Flemish government evaluates our performance regarding the realisation of these impact forms.	The local government requires us to realise one or multiple of the aforementioned impact forms.	The local government evaluates our performance regarding the realisation of these impact forms.
Yes	21	19	19	17
No	1	3	3	5

Note: Forms of impact in the survey include i) stimulate local economic development, ii) drive urban renewal and community building, iii) catalyse cultural sensitivity, ad iv) provide a space to further inclusion and wellbeing.
Source: Survey of government recognised museums in Flanders conducted Q1 2022 for this case study.

Visitor-centred impact approaches are prevalent in Flanders

Public reach and the professionalisation of visitor-centred museum governance have been an important policy focus in Flanders over the past twenty years. Among other things, museums were encouraged to collect data and information about their (potential) visitors as a tool to improve their performance. This has resulted in many Flemish museums having special teams or individuals responsible for audience outreach, making it a central part of their operations.

It is therefore not surprising that visitor-centred approaches to impact feature prominently in the strategies employed by the institutions surveyed. An overwhelming majority (n = 17) “completely agrees” that “tailoring provided information to various visitor profiles and learning styles” enables them to generate impact – and none of the respondents disagree with this statement (Table A D.4). Similarly, each museum administrator (n = 22) agrees (cf. “completely agree”, “agree” and “somewhat agree”) that “organising the museum’s schedule based on visitors’ and tourists’ behavioural data” represents the pursuit of impact, and reports that they “organise thematic cultural expositions or other activities that foster connections between and within communities”. Likewise, respondents agree that they actively attempt to “reach communities that do not traditionally visit museums – not only as future visitors, but as potential donors or volunteers too”. Practically all interviewees also express this idea: to have an impact, museums need to target a highly diverse and broad audience. Many give examples of the different ways in which a particular museum tries to actively engage with specific (previously ignored) target groups, such as ethnic minority groups, visitors

with a disability, children, and residents of less affluent neighbourhoods as an illustration of their impact practices.

Table A D.4. Responses to queries on visitor-centric impact approaches

Answer	We tailor information provided to various visitor profiles and learning styles.	We organise our schedule based on visitors' and tourists' behavioral data.	We organise thematic cultural expositions or other activities that foster connections between and within communities.	We attempt to reach communities that do not traditionally visit museums – not only as future visitors, but as potential donors or volunteers too.	We create opportunities to get in touch with communities and to co-create using exhibitions and presentations in which all visitors are indiscriminately involved.
Completely disagree	0	0	0	0	0
Disagree	0	0	0	0	0
Somewhat disagree	0	0	0	0	1
Neutral	1	0	0	2	1
Somewhat agree	3	4	4	0	2
Agree	1	8	7	5	6
Completely agree	17	10	11	15	12

Source: Survey of government recognised museums in Flanders conducted Q1 2022 for this case study.

Respondents placed a strong emphasis on "communally" responsible forms of impact (cf. 'creating culturally sensitive communities') that museums can achieve. Here, impact is generated almost automatically when institutions successfully engage in their core mission (e.g. ensuring public interest and participation in the museum and its activities). However, this does not mean that museums consider other forms of impact less important or worth striving for. In light of the limited resources museum administrators seem to be able to allocate to generating impact, the prominent reliance on impact strategies that are easily integrated into museums' general activities probably illustrates the fact that museums recognise their potential to generate an impact in their environment and believe in the importance of doing so, but at the same time are wary of formal expectations to pursue it – as it means additional responsibility for organisations that are already under pressure in terms of resources.

Attracting other resources is used as a tool for achieving impact

In addition to adopting impact-focused strategies that are more or less an extension of museums' primary responsibilities, participating institutions also report using another set of strategies to achieve impact. Insofar as "impact" can come from actively engaging the immediate surroundings in which museums operate in (cf. "stimulating local economic development" and "driving urban renewal and community building"), the queried institutions clearly prefer practices that combine impact opportunities with rational use of the resources available to them. All but five respondents "completely agree" (n = 17) that they "stimulate and facilitate volunteers" as a pathway to societal benefits (Table A D.5), for instance, and the same number (n = 17) "completely agrees" that "partnerships with other organisations' are part of their current impact approach". Similarly, there is a strong consensus on the usefulness of reaching out to "local educational institutions to co-develop learning activities and explore the possibilities for joint funding", the

need to “consider the possibilities of pursuing synergies with other local cultural institutions and events” or using the possibility to “spread and share expenses among partners or museums’ to achieve an impact”.

Table A D.5. Responses to queries on resource-centric impact approaches

Answer	We stimulate and facilitate volunteer work	We stimulate partnerships with other organisations	We engage local educational institutions to co-develop learning activities and explore the possibilities for joint funding	We consider the possibilities for synergies with other local cultural institutions and events	We investigate whether expenses could be spread and made collectively with other partners or museums
Completely disagree	0	0	0	0	0
Disagree	0	0	0	0	0
Somewhat disagree	0	1	0	0	0
Neutral	0	1	1	0	4
Somewhat agree	0	1	3	0	2
Agree	5	2	5	5	9
Completely agree	17	17	13	17	7

Source: Survey of government recognised museums in Flanders conducted Q1 2022 for this case study.

Faced with dwindling resources and a competitive funding environment, museums must rationalise their allocation practices, which offers secondary opportunities to achieve impact. For instance, the strong emphasis on volunteers allows them to reduce staff costs on the one hand, and to focus on issues such as community building on the other. Likewise, seeking partnerships with other organisations is seen as a way of creating budgetary opportunities and enabling museums to partake in local and regional development or urban regeneration initiatives. These responses also illustrate an opportunistic approach towards impact: pursuing and (potentially) achieving societal benefits beyond the primary mission of museums happens mostly as a secondary outcome of general museum governance.

Resource availability both directs and constrains impact strategy development

Flemish museums mainly put forward activities and initiatives that are more or less part of their daily governance as the primary pathways to impact, with options for pursuing it as an independent policy domain being less common. Indeed, when asked if they adopt impact strategies that require the allocation of efforts or resources to specific impact goals, there is much less consensus than in other areas. There is, for instance, considerable diversity in the extent to which Flemish museums would be able and willing to “consider flexible schedules to capitalise on the museum’s potential to contribute to the local nightlife economy”, or to “open the museum at times it is usually closed to accommodate specific groups” (Table A D.6).

The relative diversity of the responses demonstrates that the application of these strategies depends on the opportunities and resources available to them. For instance, museums with limited staff may simply not be able to accommodate flexible schedules or organise specific visits for certain groups. Similarly, the possibility to contribute to the nightlife economy depends on the location of museums. When queried about the application of other impact strategies that require an investment beyond day-to-day practices of museums – such as setting up a liaison function to engage with local economic actors or organising outreach initiatives to directly address potential users of museum collections, the answers also varied

(Table A D.6). This again indicates how the standalone pursuit of specific impact types is contingent on the means available to museums.

Table A D.6. Responses to queries on resource-dependent impact strategies

Answer	We consider flexible schedules to capitalise on the museum's potential to contribute to the local nightlife economy.	We open the museum at times it is usually closed to accommodate specific groups.	We create a specific staff function to address and engage with economic actors (e.g. entrepreneurs, designers, craftsmen, small businesses).	We organise and coordinate publicity events to illustrate the uses of our collection and demonstrate the museum's activities.
Completely disagree	1	1	0	0
Disagree	1	1	2	1
Somewhat disagree	5	4	3	1
Neutral	3	1	4	3
Somewhat agree	4	3	4	2
Agree	5	7	2	9
Completely agree	3	5	7	6

Source: Survey of government recognised museums in Flanders conducted Q1 2022 for this case study.

Respondents see limitations in funding as a major obstacle to achieving impact. Most museum administrators agree (cf. 'completely agree', 'agree' and 'somewhat agree') that the financial support from local and regional governments is insufficient to meet their ambitions and expectations in terms of impact – although funding from local governments is perceived to be slightly more adequate than that from their regional counterparts (Table A D.7).

Additionally, museums feel that governments' impact expectations of their organisations (cf. supra) are not met with clear guidelines on how to achieve impact – which again hinders them in their successful pursuit of societal benefits. Almost half of the respondents (n = 10) 'completely disagrees' or 'disagrees' that the 'regional government provides a clear and adequate impact instrument', and most institutions (n = 12) report that 'there is no comprehensive set of instruments developed by the government, so we get by with the opportunities we have' (Table A D.7). This again points to the mismatch between the official demand for impact, and the structural assistance that museums receive to pursue it.

Table A D.7. Responses to queries on governmental support

Answer	We receive insufficient financial support from local governments to pursue impact.	We receive insufficient financial support from regional governments to pursue impact.	The regional government provides a clear and adequate set of impact instruments.	There is no comprehensive set of instruments developed by the government, so we get by with the opportunities we have.
Completely disagree	0	0	5	0
Disagree	0	0	5	0
Somewhat disagree	3	0	2	4
Neutral	5	4	6	6
Somewhat agree	5	5	3	4
Agree	3	4	1	4
Completely agree	6	9	0	4

Source: Survey of government recognised museums in Flanders conducted Q1 2022 for this case study.

Flemish museums' perception of impact policies

Most survey respondents and interviewees demonstrate both a clear commitment to pursuing and achieving societal impact and a critical scepticism about the need and even the possibility to increase their societal impact and evaluate their performance. While respondents generally acknowledge the necessity and fairness of top-down impact requirements, they point to the dangers and risks of (purely) quantitative and overly managerialist impact approaches. Several respondents had problems with the focus on counting physical visitors, as this approach ignored virtual visitors, and failed to distinguish between "someone who pops in to buy a Christmas card in the shop" and "someone who looks at an artwork for hours". As one respondent states: "Perhaps a significant result cannot be quantified in terms of money, but may stimulate people to interact differently with their visual environment, making them work better or safer... that kind of deep impact is more interesting, but much harder to quantify". Another respondent perceives the economic impact based on counting visitors to be far less than "someone who has taken a photography course and starts doing photography" as a result of a museum visit. Respondents also point out the risks of an indicator-based approach towards impact as a rigid and highly restrictive box-ticking exercise.

Most interviewees indicate that they do not structurally evaluate and assess their various forms of societal impact. One of the respondents notes: "Classic impact measurement, we don't do that. (…) It is not reflected in our policy plans (…) That is not really the task of our type of organisation". Another respondent replies that an impact evaluation is not carried out because "impact is a container concept", potentially pointing to the difficulty of evaluating a phenomenon whose definition is not clear. Another respondent mentions that "we do not have a holistic approach" comparable to the ecological footprint developed by the climate movement. The only form of evaluation that is frequently mentioned by respondents is the collection of data on visitor numbers and diverse profiles to verify whether museums would only attract "old white men or young children", and most museums frequently conducted customers satisfaction surveys. However, some respondents question the feasibility and desirability of measuring impact, for example because "methodologies fall short in this respect, and a museum visit is an experience that you completely undermine by meeting someone with an I-pad [to measure impact] at the end of the visit".

One respondent portrays the formulation of impact indicators as the battleground of power: “This is a question of power. Actually, you ask: What are the success factors of an institution? From the moment you ask to define and quantify that, it becomes policy, because it is those factors that need to be optimised and not others! Should the administration decide on this? I doubt it... Should policymakers decide this? Perhaps! But I think this can be done in a more constructive way by defining success indicators together with stakeholders: government, administration, individual citizens. How do they see success? (…) If you only ask policymakers [to define success factors] only their vision will be represented!”

In conclusion, there is a clear recognition of the value and legitimacy of pursuing impacts. The findings can be interpreted as a sign of the need for bottom-up impact approaches developed in partnership with stakeholders and actors in the field, rather than through top-down initiatives; the current (perceived) lack of support to realise these ambitions more effectively may take the form of a collaborative initiative.

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