

Project acronym: **INHERIT**  
**PROMOTING CULTURAL HERITAGE AS A GENERATOR OF SUSTAINABLE DEVELOPMENT**

**CONCLUSIONS OF THE 1<sup>ST</sup> INTERNATIONAL INHERIT CONFERENCE**

**“CULTURAL HERITAGE AS ECONOMIC VALUE:  
ECONOMIC BENEFITS, SOCIAL OPPORTUNITIES, AND CHALLENGES  
OF CULTURAL HERITAGE FOR SUSTAINABLE DEVELOPMENT”**

The focus of the Conference was on the economic value of cultural heritage, on the reconciliation between positive and negative economic pressures on heritage preservation and on the innovative financing instruments of heritage investments, while looking at real world problems and practical solutions through presentations and discussions.

The **key note speaker was Mario Aymerich, Director, European Investment Bank (EIB)**, who indicated that EIB recognises the importance of cultural heritage for urban regeneration and regional development in line with the “Europe 2020” Strategy. He mentioned that bankers are Cartesian people. To finance investment in cultural heritage projects they need to measure benefits and what would be the return to investment so that it is confirmed that the borrower will be able to repay the loan. Also, he stressed that the society needs to know why should put scarce financial resources into the preservation of a cultural asset instead of establishing a hospital, a school, or a road. He indicated the need for applying the well-established tools of Social Cost Benefit Analysis in assessing the social and economic value of cultural heritage projects. He finally stressed the need for hard and quantitative data, measurement of benefits and development of new tools and methods for measuring non-market goods and services.

**The first session outlined the global challenges** in cultural heritage social and economic value and indicated how culture can be linked to social entrepreneurship, how cultural heritage can be embedded in the economy and society as investment for the future and how transnational culture interacts with shifts in social and economic life. The session brought forward the debate whether cultural heritage can be “exploited” for economic benefit or preserved at a distance from the people raising the issue of protection of cultural assets from whom and from what? And, also, who is better protector; the state, the cultural organisations, the NGOs or civil society? Also it gave transnational examples from Hungary, China, Turkey and Greece highlighting both the differences as well as the similarities in the approaches adopted. Finally, the importance of volunteer work and the incentives that could be used to foster involvement of the public in social activities of cultural heritage was also stressed.

**The second session stressed a number of points in the socio-economic development potential of Cultural Heritage.** The importance of historic memory for local identity and for its role in economic development was explored, as well as the link



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between cultural heritage and sustainable tourism. The capturing phrase in that session was there is a “dislike of cultural heritage sites as amusement parks or theme parks” and we should be careful in the development of cultural sites the debate for sustainability, diversity, innovation, preservation and, thus, leading to the development and adoption of appropriate and relevant public policies. Whilst, it is certain that we do not need “theme parks”, it is also certain that we need cultural heritage sites that are embedded in the society in a very particular way. But we have not yet determined the way.

**The third session focused on public policy, economic development and the spatial planning context.** These issues were explored empirically with case studies from Cyprus, Greece and the Netherlands pointing to the importance of local initiatives and a bottom-up approach. The importance of public policy definition at the government level was explored, but the issues of proper structures for public policy in cultural heritage governance and management are left unanswered. The important dimension of intangible cultural heritage and local knowledge and its link to sustainable management of cultural resources was also explored.

**The fourth session, last session of the first day, was devoted on industrial heritage governance and management.** This was a very rich session where a number of case studies have been presented, starting with the prototype industrial settlement of Aspra Spitia, continuing with the rich industrial cultural stock of Public Power Corporation, then with the very innovative experience of Piraeus Bank Group Cultural Foundation and its network of eight industrial museums and, finally, with the agro-industrial heritage of a provincial town and its role in the town's economy and society. The discussion focused on the interaction of industrial heritage assets as they have been created and used to serve economic and social needs at a certain point in time and within certain economic conditions and how can now be used to enrich contemporary needs of the economy and society, contributing to sustainable development.

**The fifth session focused on new approaches on cultural heritage governance and management** and how they could be “embedded” in the economy and society, taking into account new social and economic trends. There has been a very lively discussion starting with the institutional structure of Flaminia Foundation, an institution of public purpose, as an instrument of urban rehabilitation of Ravenna, Italy, continuing with the experience model which emphasizes the shift of emphasis of cultural heritage management from monuments to people, from objects to functions and from preservation to sustainable use. Then, the presentation of research results from Norway, Spain and the UK followed on how new trends in social media influence marketing strategies. Finally, a rather provocative presentation reminded the conference



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participants that the preservation of cultural assets and the availability of such assets to the public for deriving cultural services need financial resources in a period of slim and austerity budgets. Hence, innovative action is needed to generate financial resources and incomes through private and social entrepreneurship, stressing the need for the encouragement of young venture capitalists and start-ups in the cultural sector.

**The sixth session was about the interaction of cultural heritage with regional and local economic development.** Public officials from local and regional government presented their views on the contribution of cultural heritage assets in social and economic development at regional and local level. The importance of developing appropriate tools and methodologies was also stressed with emphasis on entrepreneurial training and the use of new ICT tools for assessing the social and economic benefits of cultural heritage at local and regional level. This seems to be a clear strategic objective for making the vision of local and regional development a reality.

**The seventh session presented case studies** from Messinia, Greece, Central Asia (SPINNA Circle), Albania, and the comparison of public policies in Japan and the UK. In all cases it is evident that cultural heritage assets present an important local development capital resource that can contribute to sustainable development and the well-being of the local population.

**The eighth session focused on economic tools and methods** for assessing the social and economic value of cultural heritage assets, for examining investment needs and financing tools for heritage enhancement, focusing on innovative financing instruments of cultural heritage projects, on Public Private Partnerships, finance tools for urban regeneration and local development.

### **Public policy and public awareness**

The results of the Conference should be used in the design of public policy measures for enhancing the role of cultural heritage in local, regional and national economic development in a sustainable way. An important prerequisite is increasing public awareness and the conference is contributing significantly in this direction.

A strong result of the conference is that cultural heritage represents a dynamic development potential, capable of generating employment and income and that public policy should address this potential as a development resource, at local and regional level in the context of exiting from the current European crisis. Given that this potential is recognized in the "Europe 2020" Strategy, cultural heritage is the fourth pillar of this strategy in the vision of "a **smart, sustainable and inclusive growth**" in Europe. Therefore, we need to shape new



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public policy measures that will incorporate cultural heritage capital in the economy and society. In doing so, we have to take action to revitalize the still “dormant” cultural heritage capital and its strong development potential, in particular in several areas suffering from high unemployment that possess an impressive cultural capital and hence a development potential.

Increasing public awareness is a necessary prerequisite for the adoption of measures of public policy that aim to address the social and economic development potential of cultural capital. The discussions and exchange generated in the conference helped explore the various dimensions of the increasingly complex relationship between cultural heritage and sustainable development, and will produce material that will be used later on by InHeriT in increasing public awareness to facilitate adoption of public policy measures.

Finally, it is hoped that this conference provided important material for answering the key public policy questions that were addressed:

- First, how to balance the need for conservation and preservation of heritage with the desire for development and change? During the conference we identified the need for the development of a dynamic new set of definitions, methods and tools.
- And second, how this expertise will be embedded on social engagement and consensus that would also help us redefine the new social value of cultural heritage? This is indeed an even more difficult endeavour asking for the direct involvement of stakeholders and sectors.

### **Dissemination event of forthcoming book companion reader**

This Conference is closely related to the forthcoming book with the same title. This book comprises the presentations and discussions that have taken place in the conference and it will have the form of a companion reader on “Cultural Heritage as Economic Value”. With the contribution of all conference participants will prove a valuable source of material, information and analysis for all interested stakeholders.

### **Next steps**

As it was said already, the overall aim of InHERiT is to raise awareness about the economic value of architectural heritage and its crucial role in creating local and regional development, contributing, thus, to building a “smart, sustainable and inclusive economy” in Europe with high levels of employment, productivity and social cohesion. The programme's specific objectives are to:



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- Increase public awareness for the sustainable development potential of cultural heritage
- Establish social initiatives that would build entrepreneurial partnerships investing on local and regional cultural heritage

The programme outputs are expected to benefit:

- Participating organisations
- Individuals at local and regional level, as the final beneficiaries of the project
- The entire regional and local societies
- The authorities responsible for the development and implementation of relative institutional frameworks and initiatives

The programme aims to achieve its objectives using the following means:

- Creating a platform as an interactive tool for information and communication.
- Evaluating and assessing relative international good practices with the development of a companion book of good practices
- Developing material that will be useful for training individuals in cultural heritage in general and related social entrepreneurship initiatives in particular. Organising a focus group in London, a pilot training seminar in Ravenna and training seminars in Kalamata, Chania and Pafos.
- Organizing a final international conference in Chania, Crete where the full activities of InHeriT will be presented.



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