

*Strengthening the institutional and legal framework*

**Workshop "Heritage Economics and Conservation Funding"**

**Damascus, Syria, 6 - 8 June 2010**

## **RECOMMENDATIONS**

### **INTRODUCTION**

- The participants at the Damascus Euromed Heritage Workshop on heritage economics and conservation funding have carried out a review of the situation in the various Mediterranean partner countries, based on comparisons between them, and comparisons with the guidelines of international bodies and European countries. They listened to the theoretical presentations of external partners, and testimony about the partners' practical experience.
- They noted with great interest recent developments in economic analysis and financial packages enabling the mobilisation of resources for the benefit of heritage.
- They wish to emphasise that heritage, whether tangible or intangible, is an irreplaceable asset, which requires an approach which extends beyond purely economic reasoning. It is essential that attention is given at all times and in a long-term perspective to the preservation of the cultural and social values, authenticity and integrity of heritage.
- It is essential to consider from the outset the historical, cultural, economic, social and institutional context of each country in order to draw up action plans which are operational in the short-term and ambitious in the long-term.
- It is also important to take measures which reflect a global vision:
  - a. to cover all categories of heritage (moveable and immovable, tangible and intangible, cultural and natural, etc.).
  - b. to ensure integrated and sustainable conservation which considers heritage as a factor of identity, social cohesion and local development, taking into account the imperatives of contemporary life and the wide range of actors concerned, whether in the public sector, the private sector, or in civil society.

### **1. THE ECONOMIC VALUE OF HERITAGE**

- Economic experts consider that heritage is a cultural capital, and that conservation / restoration / rehabilitation expenses are in general genuine investments, with direct and indirect economic and social impact in both a short and long term perspective.
- It is necessary to adapt economic methods and financial tools to suit the national or local context:

- by identifying appropriate indicators covering cultural, economic, and social aspects which are adapted to each situation, and which make it possible to monitor their evolution;
  - by carrying out economic and strategic analyses to facilitate the decision-making process (SWOT, impact study, costs/benefits, multi-criteria analyses, etc.).
- General economic and social development policies, linked to land use plans, town planning and housing programmes, should be used to monitor property values and to avoid the risks of "gentrification", "desertification" and "museification".
- The economic importance of preventive conservation and routine maintenance must be properly taken into account, as "Prevention is better than cure."
- In all countries with an important heritage, the very substantial economic impact of cultural tourism can be observed.
- It is important however to take some precautions to prevent possible detrimental effects:
- a. by controlling visitor flows and the associated facilities to ensure that the heritage is well preserved, and that the economic impact is beneficial to the local populations in the first place;
  - b. by overcoming threats to the authenticity of local cultural and social life, by stressing the importance of such authenticity as an asset in quality terms and as a factor of integration;
  - c. by focusing on the local craft activities and cultural practices of the host communities, as testimony to the intangible heritage and as a source of direct revenue, while supporting artistic creativity.
  - d. by encouraging domestic tourism;
- It is important to develop national skills by providing training in heritage professions and traditional knowhow.
  - To optimise investment possibilities and economic impact, it is important to encourage a positive general climate, supported by a heritage planning culture and public awareness raising, particularly through the active participation of local populations.
  - It is also essential to have a favourable legal, regulatory and institutional framework. All expenditures must be taken into account: investment, maintenance and operating costs. In particular, funding should be provided for preliminary studies. It is also advisable that heritage professionals should have increased pay levels, which are more in keeping with the importance of their responsibilities and the size of the budgets of which they take charge.

## 2. CONSERVATION FUNDING

- Funding must be adapted to specific situations, to take into account the great diversity of heritage and the very wide range of actors and stakeholders.
- It is advisable to allow for specific cases of complex management, requiring financial packages and the mobilisation of various sources of funding, as in the case of wide-ranging programmes for the management of major museums or sites and the integrated rehabilitation of historic towns and villages.

- Generally speaking, public funding should be considered as the pump primer for public-private partnerships, in order to mobilise the resources of the owners and of the private sector.
- It is important to always assert the prime responsibility of the public authorities. This can perfectly well be compatible with the delegation of the management of complex operations to specialised public or semi-public bodies such as: planning agencies, development and/or urban rehabilitation agencies, concessions, etc.
- Drawing inspiration from practices in other countries, a panoply of financial measures should be developed, in an effort to ensure the best allocation of the various expense items:
  - a. increase in public credits for the direct meeting of expenses;
  - b. offering of various forms of loans;
  - c. granting of subsidies or matching grants;
  - d. tax incentives;
  - e. constitution of working capital, etc.
- Support for foundations and patronage can generate a leverage effect. In particular, it is recommended that proprietary and management institutions should be mobilised and supported, for example in the case of *waqfs* (or *habous*).
- Site managers should be more strongly encouraged to ensure dynamic management and increase their own revenues by retaining at least a proportion of the site fees and other revenues or via the use of initiatives such as image exploitation, derivative products, etc. With this aim in mind, it is recommended that major museums or sites and large projects should be able to rely on managers with training in management techniques.
- To ensure there is a long term political will for the practical implementation of heritage conservation and tourism strategies, better regulation is necessary, with regular updates to take account of changing financial possibilities and new management practices.

### 3. INTERNATIONAL COOPERATION

- It is important to take into account the importance of the contributions of international institutions in promoting the heritage (UNESCO, European Union, etc.) and in particular the role played by financial institutions (World Bank, European Investment Banks, Arab Funds, etc.) and international foundations. It is also necessary to take into account the many bilateral agreements which exist between countries. These international cooperation agreements are a major source of resources in all fields: archaeology, museums, historic buildings and towns, craft activities, etc.
- National governments must however ensure that they retain control of these programmes, and that the cultural and economic interests of the country are well served. This requires a national and local strategy enabling the integration of external support into a concerted and determined programme, complete with an order of priorities.
- It is recommended that contacts are established with management schools or specialist training institutions, such as ICCROM, with a view to providing economic and financial training for heritage professionals.

- International non-governmental organisations, such as ICOM and ICOMOS, whose scientific committees deal with economic matters, offer the possibility of contacts and expertise.

#### **4. MOVING FORWARD FROM THE WORKSHOP**

- It is strongly desirable that training workshops focusing on funding issues for heritage professionals and other financial and operating managers should be organised in the partner countries, particularly with a view to learning lessons from experiments already carried out in comparable countries and from the publications of the Council of Europe;

- In each country, pilot projects should be prepared for the funding and management of museums or sites, or for integrated rehabilitation, based on economic analysis methods enabling the evaluation of returns on investments, and operational monitoring.

- The partner countries are invited to take advantage of the possibilities of technical consultancy offered by the Euromed Heritage programme to address specific issues.