

COUNTRY PROFILE

LATVIA

Last profile update: August 2016

This profile was prepared and updated by **Ms. Baiba TJARVE (Riga) and Mr. Gints Klāsons (Riga)**. It is based on official and non-official sources addressing current cultural policy issues. The opinions expressed in this profile are those of the author and are not

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LATVIA¹

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1 Historical perspective: cultural policies and instruments

During the 20th century Latvia experienced several drastic metamorphoses. These include the creation of an independent state in 1918, two consecutive occupations during the Second World War and the regaining of independence in 1990.

During the first half of the 1990s, Latvia passed through a transition period from a totalitarian to a democratic society that brought forth crucial social, political, and economic changes. These changes resulted in the introduction of democratic processes, administrative reforms, liberalisation of the economy and introduction of a free market, stabilisation of the new political and economic institutions through privatisation of cultural enterprises, decentralisation of cultural processes and introduction of new legislation.

Latvia became a member of UNESCO in 1991, and joined the European Cultural Convention of the Council of Europe in 1992; became a signatory to the Berne Convention in 1995. The Memorandum of Co-operation between Latvia and UNESCO was signed in 1998.

Latvia submitted its application on accession to the European Union in 1995. This marked the beginning of considerable work to implement the necessary procedures and laws as part of the accession process. 2004 Latvia became a member state of the EU.

The first cultural policy document *The Main Cultural Policy Proposals of Latvia* (1995) outlined the most important tasks of state cultural policy for the first 10 years after regaining Latvian independence, i.e.: not to interfere with the regulation of creative process, simultaneously ensuring favourable conditions and necessary resources for the development of cultural process and cultivation of creative initiative.

The next important document was developed in 2000 – The National Programme *Culture*. The Programme sets more specific aims and serves as a complex long-term targetprogramme for the period until 2010. The general cultural priorities defined in this document are: provision of continuity of cultural process and encouragement of the development of new cultural processes in the future; improvement of the cultural administration system and infrastructure; decentralisation of the cultural administrative system; improvements in the cultural financing system and diversification of financial sources; promotion of accessibility and participation in cultural life; development and strengthening the role of cultural education; and encouragement of cultural integration. The Programme comprises descriptions of 10 sub-branches: Cultural heritage; Museums; Libraries; Visual art; Traditional culture and amateur art; Theatre; Music and dance; Literature; Film; Cultural education, which fall under the responsibility of the Ministry of Culture. In many points, the programme *Culture* was appreciated as an ideal, as important totality of guidelines, yet, it lacked linkage to the economic situation and legal procedures in the country, and it was not always harmonised with other normative acts.

The development of each sphere of culture needed to be reviewed and improved, taking into account the new emphasis and the strategic aims of the national cultural policy. The new document – *State Cultural Policy Guidelines* (2006 - 2015) – calls for a better integrated approach to the planning and implementation of culture policy.

A new mid-term cultural policy document "Creative Latvia" has been elaborated for the period 2014-2020 that corresponds to the main planning documents at national and EU level (see chapter 2.3). The document was adopted by the government in July 2014.

2. General objectives and principles of cultural policy

2.1 Main features of the current cultural policy model

Public cultural policy

The Latvian cultural policy model is centralised around *the Ministry of Culture*, (http://www.km.gov.lv/en/) which is the main institution formulating and co-ordinating state cultural policy. However, there have been some changes towards decentralisation and involvement of non-governmental organisations and the civil society in the cultural field. The Ministry of Culture has signed several agreements with non-governmental organisations (e.g. The New Theatre Institute of Latvia, Latvian Centre for Contemporary Art), delegating a number of specific functions. There are advisory boards or councils in most areas of the cultural sector which include culture operators, experts and representatives of other ministries, municipalities and non-governmental organisations, who actively participate in the policy making process and allocation of financial support.

The economic crisis (2008-2010) has provoked new developments concerning the governance of cultural institutions. On the one hand decentralisation processes have been speeded up. The Ministry of Culture is willing to hand over responsibility for amateur art, cultural education and some professional art institutions to municipalities. On the other hand, within the state administration there is a tendency towards centralisation e.g., several state agencies that were operating as arm's length bodies (National Film Centre, The State Authority on Museums) have been either integrated into the structure of the Ministry of Culture or transformed into budget institutions losing their autonomy (see chapter 7.3).

See chapter 3.2 on overall description of the system.

State Culture Capital Foundation (CCF)

The establishment of the <u>State Culture Capital Foundation</u>, which started operating as an arm's length body in 1998, was a major milestone in Latvian cultural policy and completely changed funding patterns in the cultural sector. The financing of cultural projects which had previously been the responsibility of the Ministry of Culture was delegated to the CCF.

The projects submitted for funding to the CCF are evaluated by expert bodies which report to the Council of the CCF. These bodies also monitor how the allocated grants are utilised. There are seven experts in nine cultural fields (see below), who are replaced every 2 years. The experts are nominated by governmental and non-governmental cultural organisations (5 experts) and the Minister of Culture (2 experts).

The Foundation Council is the main administrative body of the CCF and its members are affirmed by the Cabinet of Ministers. The members are – the Minister of Culture, a representative of the Ministry of Finance, a representative of the National Board of Culture, a representative of the Creative Union Council, representatives of Latvian Municipality Union and the head of each expert body. The term of office of the Foundation Council is also 2 years. The Council decides the strategy for the CCF, defines the priorities for the cultural projects, announces project competitions, and allocates financial resources for implementation of cultural projects.

The goal of the CCF is to provide financial support and promote balanced development of creative work in all sectors of culture and art and encourage the preservation of cultural heritage. It also facilitates the development of international relations and promotes Latvian art and culture worldwide. Until 2003, the CCF was financed from the excise tax imposed on alcohol (3%) and tobacco products (3%), as well as gambling and lottery tax. In 2003,

the government decided to change how the CCF is funded and since 2004, it is funded directly by the Ministry of Culture.

The CCF announces project competitions several times a year in nine fields – literature; music and dance; theatre; cinematography; visual arts and photography; cultural heritage; traditional culture; design and architecture, and interdisciplinary projects.

There is also a *Travel Grant Support Programme* that enables individuals and groups to participate in short-term scientific, creative and study programmes abroad. *The Lifelong Scholarship Programme* of the CCF supports outstanding individuals in the cultural field.

In 2001, the CCF introduced a new initiative to implement cultural policy priorities set out in the National Programme *Culture* (2000 - 2010). Every year approximately 30 target programmes were announced, to guarantee the functioning of cultural institutions and ensure the development of national cultural products. The number of target programmes was significantly reduced due to the economic crisis and there was a reduction of the national budget for culture.

The budget of the CCF in 2006 was 6.9 million LVL (9.9 million EUR), in 2007- 7.2 million LVL (10.3 million EUR), and for 2008 - 7.6 million LVL (10.7 million EUR). 2009 saw a sharp reduction in the budget to 4.1 million LVL (5.8 million EUR) and in 2010 – to 2.1 million LVL (3 million EUR), which was by 72% less than in 2008. A slow increase in the budget was made in the following years. See chapter 6.

See also chapter 3.2.

2.2 National definition of culture

The Cultural Policy Guidelines (2006 – 2015) use the broad definition of culture that corresponds with the conclusions of the World Conference on Cultural Policies (Mexico 1982), the World Commission on Culture and Development Report (1995), and the Intergovernmental Conference on Cultural Policies for Development in Stockholm (1998). The definition is: "In its widest sense, culture may now be said to be the whole complex of distinctive spiritual, material, intellectual and emotional features that characterise a society or social group. It includes not only the arts and letters, but also modes of life, the fundamental rights of the human being, value systems, traditions and beliefs."

The new cultural policy document for the years 2014-2020 "Creative Latvia" supports the broad definition of culture, explaining that culture forms the basis of value, knowledge and know-how system of individuals and communities. It stresses that the development of the society and the state, as well as the quality of life depends on diversity and richness of culture, its accessibility and participation of creative individuals.

Despite the all-embracing definition, the Ministry of Culture mainly takes responsibility for the particular art fields, such as copyright, architecture, libraries, museums, music, fine art, folk art, theatre, literature and books, film arts, cultural education, and the protection of monuments and archives. In recent years, there is a tendency to look at culture in a broader context (development, economy etc.).

See also chapter 2.3 and chapter 3.2.

2.3 Cultural policy objectives

The Cultural Policy Guidelines 2014-2020 "Creative Latvia" have set the following vision:

Latvia - a country with a rich and nourished heritage, a vibrant and diverse cultural life, creative people, creative industries with high export potential, and improving the quality of life for everyone.

To reach this vision, the following priorities have been outlined:

- preservation and development of cultural capital involving community members in cultural processes;
- a creative life-long learning and cultural education system oriented towards labour employment;
- cultural and creative industries with high export potential; and
- creative territories and accessibility of cultural services.

See also chapter 4.2.1.

3. Competence, decision-making and administration

3.1 Organisational structure (organigram)

Organisational structure of the Ministry of Culture (2014)



3.2 Overall description of the system

The institutions that set the general policy guidelines, legislation and budget of the Republic of Latvia are: the <u>Saeima</u> (Parliament, 100 members voted every four years) and the <u>Cabinet of Ministers</u> (highest executive body of the country, formed by a Prime Minister invited by the State President). In 2016, there were 13 Ministries and 13 Ministers respectively in Latvia. As a result of reorganisation, one ministry in 2011 has been closed down: the functions of the Ministry of Regional Development and Local Government have been taken over by the Ministry of Environment and the Ministry of Welfare.

According to its Constitution (*Satversme*) Latvia is a unitary state, made up of 4 regions (Vidzeme, Latgale, Kurzeme and Zemgale), which are prescribed by international treaties and are not administrative territories. Therefore, in Latvia there is no administrative division similar to federal states in the EU.

Local governments

At the end of 2008 the regional reform was adopted finally by the Parliament. Previously, Latvia had numerous small municipalities operating on two territorial levels of local administration. In 2008 there were 525 local governments operating at local or first territorial level (including 52 towns and 7 cities; 36 amalgamated local municipalities; 430 parishes), and 26 counties operating at regional or second territorial level. The aim of the reform that started 1992 was to reduce the number of administrative levels and to increase the capacity of local administrative units.

Since 1 July 2009 there are 110 local governments (counties) and 9 republican cities, instead of more than 500 administrative units.

The reform was carried out based on the <u>Administrative-Territorial Reform Law</u> (1998, significant amendments in 2005).

According to the <u>Regional Development Law</u> (2002) 5 administrative units, one per each of 5 Planning regions, have been established. The Planning regions will ensure the planning and co-ordination of regional development and co-operation between local government and other state administrative institutions. The Planning regions have taken over the coordination functions in the field of culture, thus substituting 28 regional cultural experts previously employed by the Ministry of Culture and executing the task of state cultural policy planning on a regional level. In this respect the Ministry of Culture is collaborating with the Ministry of Environmental Protection and Regional Development. For more on the reform see the presentation <u>"History and Progress of Administrative-Territorial Reform in Latvia"</u>.

<u>The Law on Local Governments</u> (1994) defines the division of labour and responsibilities between the state and local authorities in providing services, including those in the cultural field. Section 15 of the *Law on Local Governments* defines the autonomous functions of local governments including the following: "to maintain culture and facilitate the preservation of traditional cultural values and the development of creative folk activity (organisational and financial assistance to cultural institutions and events, support for the preservation of cultural monuments, and others)".

Decentralisation in the field of culture is connected to the long and complicated process of regional administrative reform that was completed in 2009. Step by step, municipalities are developing their own cultural policies and are becoming more independent regarding the content and character of cultural life in the regions.

Ministry of Culture

<u>The Ministry of Culture of the Republic of Latvia</u> is responsible for strategic development, implementation and supervision of cultural policy and cultural education policy. The Ministry co-operates with municipalities and with non-governmental bodies, such as consultative councils, creative unions, funds etc. The Ministry of Culture and municipalities share responsibility for co-operation programmes and financing in the cultural field in Latvia. It is the Ministry of Culture that plays the most important role in the development of cultural policy and financing cultural activities, particularly professional art.

According to the statutes of the Ministry of Culture, it has responsibility for the following sectors: copyright, architecture, libraries, museums, music, fine art, folk art, theatre, literature and books, film arts, cultural education, and the protection of monuments and archives. Since 2011, the Ministry of Culture is responsible for integration and for the Social Integration Foundation. In 2015, the Ministry of Culture has established the Media Policy Unit undertaking the development of the media policy (see chapter 4.1). The Ministry of

Culture is also responsible for the operation of institutions and organisations in each of the respective sectors. See also chapter 2.1 concerning the Ministry of Culture.

Councils and Advisory boards

The National Board of Culture, established in 1995, is the most important advisory body to the Minister of Culture in the fields of cultural policy and cultural economy. Its main tasks are to promote public participation in cultural life and to enhance co-operation between the state, public institutions and individuals. Its functions are to analyse and make proposals regarding the strategic direction of some cultural sectors, to participate in the preparation of the cultural budget, draft plans for laws and investment policies.

In relation to policy making and implementation, the Ministry of Culture must consult with non-governmental organisations to further social dialogue and has to involve society members in the state administration. It carries out this role via boards and working groups; the boards have consultative functions and the working groups are created to solve specific tasks during the specified period of time.

Advisory councils to the Ministry of Culture include the Council of Literature and Publishing (since 2003); Latvian Music Council (2002); National Council of Theatres (2000); Latvian Film Council (2004); Visual Arts Council (2001); National Council of Museums (1998); National Library Council (1998); National Architecture Council (2009); the Consultative Council for Creative Industries (2011; re-established in 2014), and the Council of Archives (2011). The Ministry of Economics established the Design Council in 2008 which currently operates at the Ministry of Culture. The Ministry of Culture is consulting with the associations of cultural operators on a regular basis. This dialogue intensified during the period of the economic crisis, and since then cultural operators have established several umbrella organisations, e.g. the association Time for Culture (2010) for major public cultural institutions, the Association of Contemporary Culture NGOs (2007) and the Alliance of the Association of Contemporary Arts NGOs and The Council of the Creative Unions of Latvia (2009). In 2012, these three associations signed a Memorandum with the Ministry of Culture about regular cooperation in cultural policy development and monitoring. This initiative is a unique model of direct participation by the non-governmental sector in public cultural policy development. Meetings with the Minister take place on a regular basis, usually once per week.

Policy documents

According to the state policy planning system, the main long-term policy document is the *Sustainable Development Strategy of Latvia 2030* (endorsed by the Parliament in 2010; downloads in English <u>here</u>, see also chapter 4.2.8).

The main medium-term policy document is the <u>National Development Plan 2014-2020</u> adopted by the Parliament in 2012 (downloads in English and Russian <u>here</u>). At the moment all high level policy planning documents in Latvia include essential paragraphs on culture.

Mid-term policy documents in different sub-sectors are subordinated and harmonised with the above mentioned policy documents. The *Cultural Policy Guidelines 2014-2020 "Creative Latvia"* was adopted by the government in 2014. Some issues in this document are interlinked with policies in other sectors, like the *National Policy Guidelines of Identity, Civil Society and Integration (2012-2018)* (adopted in 2011, available in Latvian), *Guidelines on Industrial Policy 2014-2020* (adopted in 2013, available in Latvian), *Guidelines on Regional Policy 2013-2019* (adopted in 2013, available in Latvian), and *Guidelines on Education Policy 2014-2020* (adopted in 2014, available in Latvian).

The most important political guidelines are included in the Declaration of the Intended Activities of the Cabinet of Ministers (you can find the declaration <u>here</u>) for the governance period of the respective government.

During recent years several cities have developed mid-term cultural strategies. Although the major cultural responsibility of the cities is amateur art, the cultural strategies of the cities stress that art and culture stand for more than amateur choirs and folk dances and could be used as a critical strategy for regional development.

3.3 Inter-ministerial or intergovernmental co-operation

The Ministry of Culture in Latvia is responsible for art and heritage as well as for art education including higher education in the cultural field. Other ministries are responsible for certain cultural institutions such as the Latvian War Museum which is under the jurisdiction of the Ministry of Defence and the Museum of Nature which is responsible to the Ministry of Environmental Protection and Regional Development.

The Ministry of Culture works together with the Ministry of Foreign Affairs on issues related to international cultural co-operation and with the Ministry of Justice on issues related to copyright legislation. It shares responsibility for cultural education with the Ministry of Education and Science.

The Ministry of Culture is cooperating with the Ministry of Environmental Protection and Regional Development and the administration units of the Planning Regions that are partly coordinating cultural policy on a regional level (see chapter 3.2).

The Ministry of Culture, the Ministry of the Economy and the Ministry of Education and Science are responsible for the development of the creative industries. The Ministry of Culture cooperates with the Ministry of the Economy concerning the development of design policy.

In 2010, the Ministry of Culture took over responsibility for integration from the Ministry of Justice.

See chapter 3.2 regarding policy documents.

3.4 International cultural co-operation

3.4.1 Overview of main structures and trends

The main institutional structures involved in the processes of international cultural cooperation are The Ministry of Culture, The Ministry of Foreign Affairs and The Latvian Institute.

The cultural policy document "Creative Latvia 2014-2020" sets the following priorities in the field of international cooperation:

- to secure international cooperation and competitiveness in the cultural and cultural heritage sectors; and
- to establish a positive image of Latvia with the help of cultural diplomacy.

Latvia takes active participation in international organisations and networks, such as UNESCO, the Council of Europe, ICOMOS, ICCROM, ICOM, NEMO etc. Artistic mobility is also mentioned in cultural policy documents as one of the important aspects of inter-

national collaboration and it is secured with mobility grants from the Culture Capital Foundation and participation in the Nordic-Baltic Mobility programme (see chapter 3.4.2).

The Ministry of Culture has signed agreements with several non-governmental organisations (The Music Information Centre, The New Theatre Institute of Latvia, The Latvian Centre for Contemporary Art etc.), delegating to these institutions the organisation of Latvia's representation at big international events such as the Venice Biennial of Art, Venice Biennial of Architecture, San Paulo Biennial of Art, MIDEM, Frankfurt Book Fair etc.

In recent years, the Ministry of Culture has developed large bilateral cooperation programmes – representative festivals: "L'éttonante Lettonie" (Latvian Cultural Days in France, 2005), "En Printemps Français" (French Cultural Days in Latvia, 2007), German Cultural Month (2008), Latvian Cultural Season in Russia (2007-2008) and a Russian Cultural Season in Latvia (2008).

In 2014-2015, the priority of international cultural policy was Latvian culture as part of European cultural diversity. It was implemented through two major projects: Riga as European Cultural Capital in 2014 and cultural programme in the framework of Latvia as President of the European Union in 2015.

The Ministry of Foreign Affairs sets foreign policy priorities in its Annual Report (see <u>website</u> of the Ministry). Culture is an integral part of foreign policy.

The Latvian Institute (<u>http://www.li.lv/</u>) int. al. offers special assistance to international journalists, editors, producers, researchers and other professionals.

Considerable international cultural co-operation is also undertaken in the nongovernmental sector in Latvia. Individuals and organisations co-operate through networks, co-operation projects as well as through personal contacts.

See also chapter 3.4.2.

3.4.2 Public actors and cultural diplomacy

See also chapter 3.4.1.

Since the beginning of the 1990s, international cooperation is becoming stronger and more diverse and very fruitful contacts have been established with the Baltic and Nordic countries, as well as with several cultural representations of foreign countries (the British Council, the Danish Culture Institute, the Cultural Centre of France, the Goethe Institute, The Nordic Council of Ministers' Office, etc.). There are 36 embassies and several foreign cultural centres situated in Riga that are significantly enriching the cultural life of the country.

Special attention is given in public policy to cooperation in the Baltic region. The cooperation of the Baltic States constitutes the following institutional frameworks – the Baltic Assembly, the Baltic Council of Ministers and the Council of the Baltic Sea States. The parliamentary co-operation takes place within <u>the Baltic Assembly</u>, but all matters related to practical co-operation are being dealt within the format of the Baltic Council of Ministers. Some cultural initiatives take place within this official cooperation format (e.g. annual prize of the Baltic Assembly <u>http://www.baltasam.org/</u>).

<u>The Council of the Baltic Sea States</u> is an overall political forum for regional intergovernmental cooperation. It includes an initiative in the cultural field – <u>Ars Baltica</u> that is an international cultural network (established in 1991).

The <u>programme</u> of cultural cooperation for the period 2015-2018 between the Culture Ministries of the three Baltic countries (Latvia, Lithuania, Estonia) was signed to improve cooperation at regional level. The Cultural Committee of the Baltic States has initiated several projects that are successful e.g. chamber orchestra *Kremerata Baltica*, *Baltic Film and Media School*, *Baltic Museology School* (see chapter 3.4.4).

Since 2009, the Baltic States are contributing partners to a <u>Nordic-Baltic Mobility Pro-</u> gramme for <u>Culture</u>. The Baltic States co-finance the programme according to their GDP per capita. In 2014, the Ministry of Culture of the Republic in Latvia contributed EUR 32 259. Latvian cultural operators were active in applying to the programme and in 2014 Latvian applicants received support in the amount of EUR 178 947.

The Ministry of Culture has signed intergovernmental and inter-ministerial agreements and programmes with approximately 30 countries to encourage cultural exchange and cooperation between professionals working in the field of culture.

Municipalities have their own international culture cooperation activities mainly as part of cooperation agreements with partner cities or towns. International festivals play an increasing role in internationalisation of cultural life in cities.

Public financial support for international cooperation is available from the Ministry of Culture and the State Culture Capital Foundation. The Ministry of Culture finances some international cultural projects and supports the participation of Latvian cultural institutions and professionals in international organisations and programmes. Apart from these activities, the Ministry of Culture also secures co-financing for the projects supported by EU programmes, thus supporting implementation of large projects in digitalisation of cultural resources, improvement of the cultural infrastructure, education, creative industries and cultural co-operation projects submitted by Latvian cultural operators to the EU programme "Creative Europe" etc.

Since 2003, the Ministry of Culture announces competitions and co-finances those cultural organisations which have received funding from the EU programme "Creative Europe" or "Europe for Citizens".

Other international cooperation projects are covered by different support schemes from the State Culture Capital Foundation on a competition basis. The Foundation supports the organisation of international projects as well as running the *Travel Grant Support Programme* that enables individuals and groups to participate in short-term scientific, creative and study programmes abroad.

3.4.3 European / international actors and programmes

Latvia became a member of UNESCO in 1991, and joined the European Cultural Convention of the Council of Europe in 1992. In 1995, Latvia became a signatory to the Berne Convention. The Memorandum of Co-operation between Latvia and UNESCO was signed in 1998. In 2004, Latvia became a member state of the EU.

In 2007, Latvia ratified the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions. The responsible body for the implementation and monitoring of the convention is the Ministry of Culture.

Cooperation within the Baltic Sea region is awarded special attention. \underline{VASAB} - Vision and Strategies around the Baltic Sea - is an intergovernmental network of 11 countries in the Baltic Sea Region promoting cooperation on spatial planning and development in the Baltic Sea Region.

The European Commission adopted a Communication on the <u>EU Strategy for the Baltic</u> <u>Sea Region</u> on 10 June 2009. This is the first time that a comprehensive Strategy, covering several Community policies, is targeted on a "macro-region".

For more information on cooperation in Baltic region see chapter 3.4.2.

3.4.4 Direct professional co-operation

During the last decade a dozen non-governmental organisations have developed notable competence in international co-operation, being active in international networking, fund-raising, collaboration and co-productions. Lately, also, larger cultural organisations of national significance have got involved in international cultural co-operation thanks to resourceful staff and participation in European networks.

Film institutions develop multilateral international cooperation, especially valuing partnership among Baltic countries. Some examples include the following. 2015, the Baltic film institutions - the Estonian Film Institute, the Latvian National Film Centre, and the Lithuanian Film Centre signed the agreement to boost film co-productions.

The Baltic Sea Forum for documentaries took place for the first time in 1997 in Denmark, initially it was a Danish initiative for the Baltic countries, Poland and the western part of Russia. It continued to be a Danish initiative until 2001. At the beginning of this "second phase", the Baltic Sea Forum was a travelling event through the Baltic countries, but since 2005 it always takes place in Riga.

The Baltic Film and Media School opened at Tallinn University (Estonia) in 2006; its launch was supported by the ministries of culture of all three Baltic countries (Latvia, Lithuania, Estonia), and the Nordic Baltic Film Fund etc. The Baltic Film and Media School is an innovative educational centre for the audiovisual sector in the Baltic Region.

<u>Baltic Museology School</u> (BMS) is organised in cooperation between the Ministries of Culture of all three Baltic countries, the State Authority of Museums of Latvia and ICOM – Europe (International Council of Museums). The BMS is a long-term Baltic States collaboration project for the lifelong education of museum professionals. Each year there is a week-long educational programme focusing on one aspect of museum work, and linking museum theory with practice. The aim of the school is to develop and strengthen museological thought in the Baltic States, by linking theory and practice, in order to become more professional, contemporary and accessible to society.

Numerous non-governmental organisations operating in the field of contemporary arts carry out international cooperation projects demonstrating outstanding managerial and conceptual capacities. Of particular note are The Latvian Centre for Contemporary Art (http://www.lcca.lv/), the New Theatre Institute of Latvia (http://www.theatre.lv/), the new media centre RIXC (http://www.rixc.lv/) and other initiatives. International festivals of different scale are important in the cultural life of Latvia. The international festival of contemporary theatre "Homo Novus" (http://www.homonovus.lv) is the most important festival in performing arts field. Cēsis Art Festival (http://www.cesufestivals.lv) is the largest contemporary art festival that takes place outside the capital Riga. Important music festivals are the New Music Festival "Arena" (http://www.arenafest.lv/), The Riga Opera Festival (http://www.opera.lv/en/riga-opera-festival/), The Festivity of Opera Music, and the Ancient Music festival (http://www.smf.lv), among others.

Projects supported by EU programmes are financially privileged as they can also receive state co-financing. Gradually, competence in developing European level projects is increasing.

In 2014, Riga was European Capital of Culture and many international projects were included in the programme (40% of all Riga 2014 programme events would qualify as international). Riga 2014 provided EUR 27.3 million funding in the period 2012-2014 involving about 114 organisers that organised 160 projects. Diversity and quality of cultural offer increased significantly during this year. Since the scale of funding for culture in 2014 will not be available in the future, questions arise about sustainability and the future utilisation of international contacts and management potential. In particular, this applies to the nongovernment sector representatives, as NGO funding chiefly relies on attracting short-term funding for individual projects. It is true that event organisers themselves believe that most of the cooperation projects started in 2014 will continue in the future (79% of respondents answered positively).

See also chapter 3.4.2 and chapter 4.2.8.

3.4.5 Cross-border intercultural dialogue and co-operation

During recent years, the government has initiated several trans-national culture cooperation projects. In 2005, the festival *Étonnante Lettonie* took place in France; in 2007, a festival *Un Printemps Français* took place in Latvia for a period of 3 months and included more than 90 events.

In 2006 Latvia participated at the International Culture days in Dortmund (Germany). The Culture Month of Germany in Latvia took place in 2008, receiving more than 300 German artists. A similar cooperation project with Russia took place during the years 2007-2008 (see chapter 3.4.2).

These events, initiated in the framework of a political agenda, were substantially supported by the Ministry of Culture. However, the overall management and marketing of the events involved numerous cultural organisations, built new partnerships and drew large audiences, thus serving as a good marketing campaign for culture in general.

In 2014, Riga was <u>European Capital of Culture</u> and in 2015 Latvia took over the <u>Presiden-</u> <u>cy</u> of the EU.

There are no special government programmes to support specific transnational activities of young people or youth groups. For information about co-operation within the Baltic Sea region see chapter 3.4.2 and chapter 3.4.3.

3.4.6 Other relevant issues

In view of the massive emigration flow over the past two decades, cooperation with the Latvian diaspora has become one of the priorities of the Foreign Ministry work aimed at promoting political and civic participation of the diaspora, preserving Latvian identity and bonds with Latvia, and strengthening cooperation with compatriots abroad. According to estimates by the Foreign Ministry for 2012, about 370,000 Latvian nationals are permanently residing outside Latvia, most of them having emigrated in the past decade (in approximate figures, there being considerable differences between the data quoted by the Population Register, foreign authorities, and diplomatic missions). Positive trends have been observed since 2011: according to the Central Statistical Bureau, outbound migration has decreased, and the numbers Latvian citizens and 'non-citizens' returning to Latvia are growing. At the same time, the Latvian diaspora abroad is increasing. The largest Latvian communities are those in the U.K., the USA, Canada, Ireland, Sweden, Australia, Russia, Brazil, Germany, Belgium, Israel, Norway, and Spain.

The Guidelines on National Identity, Civil Society and Integration Policy for 2014-2018 is government document which defines cooperation with diaspora as one of the action lines for government to follow. The Ministry of Culture is in charge of coordinating the implementation of the guidelines. The document assigns responsibility for diaspora policy to the diaspora Ministry of Culture, the Ministry of Foreign Affairs, the Ministry of Education and Science, the Ministry of Economy, and other competent public institutions, which are to cooperate with social partners and non-governmental organisations, especially Latvian organisations and communities.

2012, the Ministry of Foreign Affairs in association with the Ministry of Culture set up a permanent working group/a council for the Implementation of the Guidelines on National Identity, Civil Society and Integration Policy. The working group is responsible for ensuring that a long-term, well-coordinated policy is pursued in the diaspora matters. The Diaspora Policy Working Group was established in October 2013 for the implementation of the national Identity Guidelines. The Working Group is chaired by the Foreign Ministry in association with the Ministry of Culture, which functions as a secretariat.

4. Current issues in cultural policy development and debate

4.1 Main cultural policy issues and priorities

Since 2014, preparation of the centennial celebration of the Republic of Latvia is taking place; it will be celebrated from 2017 to 2021. Since 2014, there have been series of public discussions for various target audiences, and laid the foundation for cooperation with the local authorities, institutions, organisations, and with broad society in Latvia and outside. The celebration of the hundred years of Latvia will cover all sectors – culture, education, economy, as well as environment, sports, welfare, health, defence, agriculture and other sectors, marking the major events in every sector, and thereby reflecting the story of hundred years.

On 30 October 2014, the Latvian Ministry of Culture and the Foundation of the Latvian Museum of Contemporary Art signed a memorandum of intent regarding the building and development of the Latvian Museum of Contemporary Art. It was signed on the basis of the successful long-term collaboration between the Ministry of Culture, the ABLV Charitable Foundation and the Boris and Inara Teterev Foundation, as notable benefactors in the realm of Latvian contemporary art, and ABLV Bank as the principal supporter of the formation of the Museum of Contemporary Art's collection. The memorandum of intent envisages that the Latvian Museum of Contemporary Art will be located within the territory of the business and leisure centre New Hanza City (NHC). NHC is being developed across an area of 24.5 hectares in the location of the former Riga railway goods stations, in the quarter between Hanzas iela, Pulkveža Brieža iela, Skanstes iela and Sporta iela. It is planned that the Foundation's founders will provide financing in the amount of at least EUR 30 million for the construction of the museum. The Foundation of the Latvian Museum of Contemporary Art plans to open the museum building on 18 November 2021. The Latvian Museum of Contemporary Art's vision is to become the most visited art museum in the Baltics, whose exhibitions are much in demand by other museums. Its unique collection of works celebrating arts and visual culture in Latvia and the Baltic Sea region from the 1960s onwards and ability to arrange loans of works from prestigious private collections make the LMCA an arts centre of regional significance.

In the autumn of 2015, the concert hall "Great Amber" was opened, which is not only the home of the Liepaja Symphonic Orchestra and the Emils Melngailis' Music Secondary School, but also the epicentre of important art, music, and other creative events. The Great Amber is the third multifunctional cultural centre in Latvia, which were built using financing of the European Regional Development Fund fundraised by the Ministry of Culture. The same as the concert hall Latgale Embassy "Gors" in Rezekne and Vidzeme concert hall "Cesis", also the Great Amber in Liepaja is suitable for diversified professional cultural services, and for amateur art and interest education activities.

In 2015, the Ministry of Culture has established the Media Policy Unit undertaking the development of the media policy. Currently, the Media Policy Guidelines and the Action Plan for implementing the guidelines are developed. In 2014, the Creative Industries Board has launched its work in the Ministry of Culture, whose tasks are to co-operate with state, local municipality and non-governmental institutions for developing and implementing the creative industries policy, for budgetary and investment planning, drafting laws and other regulatory normative acts.

In 2015, the planned pavilion "Future House" of the Occupation Museum provoked broad discussions in society, whose construction and completion was scheduled to 2017. Project "Future House" is planned as a part of the memorial of victims of the Soviet occupation,

designed based on architect Gunars Birkerts concept. Several well-known architects argued strongly against this project considering that its implementation would substantially aggravate architectural value of the Occupation Museum and the Strelnieku Square (Riflemen Square) where it's located. This ongoing discussion among architects and in society as a whole led to delays of the construction works of the planned project; the solution is not found yet.

In 2015, among organisers of cultural and entertainment events broad discontent caused the proposal of the Ministry of Finance to apply 21% VAT rate instead of the current 0% rate for tickets of cultural events. The organisers of events are certain that such tax rate would have dramatic consequences for cultural consumption in Latvia, and opportunities for inhabitants to enjoy the cultural activities would decrease as well, as part of organisers of events would terminate their work or substantially limit their activities. After the discussions with the industry and its supervisory institutions it was decided to postpone the appliance of this VAT rate until 2017, but already in 2016 discussions on the applicable VAT rate have reopened, the industry offering as compromise 12% rate.

4.2 Specific policy issues and recent debates

4.2.1 Conceptual issues of policies for the arts

Policy documents

The main cultural policy document "Creative Latvia 2014-2020" states that culture can play a significant role in personal development of an individual, in the integrated development of a society, the country's economy and in sustainable development. The document sets four priorities:

- maintaining and developing cultural capital with active participation of society members in cultural activities;
- creativity in long life education and cultural education adapted to the needs of labour employment;
- culture and creative industries with export potential; and
- creative territories and accessibility of cultural services.

It calls for an integrated approach to the planning and implementation of cultural policy, creating a coordinated state policy in the following groups of sectors: art and literature, culture heritage, audio visual and the media sphere. Apart from that, in the strategies for policy implementation, the emphasis will be placed on intersectoral / horizontal issues, which expand the functions and the field of activities of all the aforementioned sectors of culture, placing them in a broader context. These issues include cultural education; cultural policy for children and adolescents; creative and culture industries, including the small and micro culture enterprises; cultural tourism; regional cultural policy; foreign cultural policy; cultural environment and cultural infrastructure; culture for the promotion of social participation and integration; research and criticism of culture; protection of intellectual property rights in the field of culture and the creative industries (see also chapter 2.3).

Since 2011, the Ministry of Culture is responsible for integration policy (see chapter 4.2.4). In 2015, the Ministry of Culture has established the Media Policy Unit undertaking the development of the media policy (see chapter 4.1).

Priorities and orientations

The majority of the budget of the Ministry of Culture is allocated to public culture institutions which are under the responsibility of the Ministry. Only a tiny proportion of the allocations are meant for non-state established and non-governmental institutions.

Municipalities maintain huge network of municipal cultural institutions: cultural centres, public libraries and museums (see chapter 7.2). It is considered that municipalities prioritise amateur art activities, especially those which are forming tradition of the Nationwide Song and Dance Celebration (choir singing, folk dancing, folk groups, etc.). However, larger municipalities consider also professional art as part of their policies. Especially significant improvement in this respect started when the new concert halls were built in three cities: Cesis (2014), Rezekne (2013) and Liepaja (2015) offering diverse professional performing art events (see chapter 4.1).

Meanwhile, the budget of the grant giving body - the State Culture Capital Foundation - is supporting diverse types of culture and art organisations, and individuals. The Council of the foundation endorses annual priorities which are published on the foundation website.

Organisational issues

The Ministry of Culture has started developments to switch to an output based system of public subsidy allocation. There is a long way to go to introduce this system in all sectors. Moreover, this does not affect the issue of equal opportunities of non-governmental organisations applying for public funding.

Gradually, the Ministry of Culture is giving over the responsibility for professional art institutions located in the regions to municipalities. Since 2010, Liepāja Theatre is under the responsibility of Liepāja City Council. The Ministry of Culture is signing annual contracts with municipalities about distribution of professional art in the regions. Moreover, contracts between the Ministry and state established professional art institutions stipulate a certain share of performances to be presented outside their main venue. See chapter 7.2 about the governance of cultural institutions.

See chapter 4.3.

4.2.2 Heritage issues and policies

The recent debate on cultural heritage has broadened the current heritage concept. As well as the cultural monument protection branch, libraries, archives, museums, and the intangible cultural heritage are now recognised as important resources for the development of the knowledge society and for cultural tourism. Apart from that, the Ministry of Culture supervises the digitalisation projects and the implementation of programmes and conventions of the UNESCO.

There are a number of state authorities implementing cultural policy in these fields: <u>the</u> <u>State Inspection for Heritage Protection</u>; <u>Latvian National Centre for Culture</u> (Centre implements national cultural policies in the field of intangible cultural heritage and its associated fields of amateur arts as well as in culture education) and the <u>Latvian National Archive</u> (in 2011, after reorganisation, 18 state archive institutions were merged into a single one). As a result of structural reform, the State Authority on Museums has been integrated into the structure of the Ministry of Culture (see also chapter 7.3). The mission of the <u>Centre of</u> <u>Culture Information Systems</u> is to develop IT tools in order to safeguard and distribute the cultural heritage of archives, libraries and museums. The Centre is responsible for digitalisation projects in cultural heritage institutions, many of them implemented with the assistance of the EU Structural Funds. Municipalities are directly responsible for funding and administering municipal libraries, municipal museums, cultural heritage objects and intangible heritage, notably folk art. Private operators are involved in the field mainly as owners of cultural heritage objects and private museums.

The Ministry of Culture's budget for heritage protection increased significantly until 2009. A special programme Heritage 2018 was approved and is being implemented since 2006. The aim of the programme is to restore and modernise all of the over 100 architecture heritage objects in state property up to the 100th anniversary of the Republic of Latvia: the first phase was 2006 - 2009, when 25 objects were restored (14 in Riga and 11 in the regions). However, in 2009, due to the economic crisis, the funding for the implementation of the programme was reduced. In the recent years, the situation has improved and numerous cultural heritage buildings are under reconstruction.

This delay has been criticised because several major cultural institutions (such as the main building of the Latvian National Museum of Art, the Museum of the Occupation of Latvia 1940-1991, The Museum of Literature and Music) were closed for reconstruction during the year 2014 when Riga was implementing the European Capital of Culture programme. However, many cultural heritage buildings and sites have been reconstructed in recent years. For example, the new Museum of Art "Riga Bourse" was reopened in 2011, the main building of Latvian National Museum of Art was opened in 2016, the reconstruction of Rundale Palace was completed in 2014 mainly supported by private donations. Several art nouveaux and wooden architecture buildings have been reconstructed with support of the European Economic Area Financial Mechanism during the period of 2009-2014.

There are also a few special heritage protection and development programmes regularly supported by the Culture Capital Foundation. Another important financial source for development of the cultural heritage is the EU Structural Funds (see also chapter 4.2.8). In 2016, the government has decided to invest 14 million euros in digitalisation of Latvian cultural heritage and improvement of public access. 85% of this funding will come from the European Regional Development Fund.

The most significant developments in the field have been digitalisation in the field of archives, museums and libraries (see chapter 4.2.11) and the construction of the Latvian National Library (see chapter 4.3).

In the field of intangible heritage, an important player is UNESCO and the <u>UNESCO Na-</u> <u>tional Commission</u>. In 2008, the Baltic Song and Dance celebrations were inscribed on the Representative List of the Intangible Cultural Heritage of Humanity. In 2009, *the Suiti cultural space* was included in the UNESCO List of Intangible Cultural Heritage in Need of Urgent Safeguarding.

In recent years, there are two popular annual events that make tangible and intangible cultural heritage accessible to everybody: during the European Heritage Days Latvian historic and cultural sites are opened to the public, while the project "Find Your Master Craftsman" (that takes place in the framework of European Artistic Crafts Days) encourages people to learn traditional crafts.

See also chapter 8.2.1 on culture consumption; chapter 8.4.1 and chapter 8.4.2 about amateur art. See chapter 5.3.3 on culture legislation.

4.2.3 Cultural / creative industries: policies and programmes

Definition of cultural and creative industries

In the various planning documents different and distinct definitions of the cultural and creative industries have been used. The breakdown – culture, cultural industries, and creative industries – is the most common. The Cultural Policy Guidelines 2014 - 2020 Creative Latvia included the following definitions:

Culture – in the broader concept, it is the collection, the form and the shape of all achievements of humans and humanity that penetrates any human activity and existence. Culture includes values recognised in society, the tolerance, the internal and external orientation of individuals and society, faith, creativity and interests. The basis for the preservation and the development of culture is language, folklore, customs, rituals, traditions, knowledge and education process, diversity and interest about other cultures, as well as products of creative work respective for particular time. In the narrower concept, culture is the art, architecture, music, literature and other creative expressions.

Cultural industries – industries that produce and distribute goods and services, which have the cultural value irrespective to the commercial value they may have.

Creative industries are based on individual or collective creativity, skills and talents and, by creating and using intellectual property can bring prosperity and create jobs. They create, develop, and produce products and services that have value in economic development.

In above mentioned document and in other documents, various sectors are defined as cultural and creative industries (the most often – museums, libraries, archives, cultural monuments, intangible cultural heritage, digital cultural heritage, cultural education, literature and publishing, music, theatre, dance, visual arts, films, architecture and design), however, their definition is not related to any economic activity classification, consequently statistical and economic analysis of these sectors is challenged.

Policy

In 2004 – 2005, the Ministry of Culture took a more active position on the development of the culture and creative industries (<u>http://www.km.gov.lv/en/cross_sector/creative.html</u>). In 2005, the Ministry of Culture, in the process of developing the guidelines for cultural policy, recognised that the concept of creative industries is important for Latvia as well as for the work of the Ministry of Culture.

The priority to develop creative industries in Latvia was introduced into the Guidelines for the State Cultural Policy of Latvia for 2006 - 2015, for the first time.

After introducing creative industry issues in the national cultural policy guidelines, the Ministry of Culture encouraged the inclusion of creative industry matters in all key policy planning documents in Latvia, such as the National Development Plan 2007–2013, the National Development Plan 2014-2020, the National Lisbon Programme 2005–2008 and the National Strategic Reference Framework document 2007–2013. The new cultural policy guidelines "Creative Latvia 2014-2020" sets the development of creative and cultural industries as one of four priorities.

On the level of regional cooperation among three Baltic States, collaboration in the field of cultural industries is outlined in several working documents (Programme of Cultural Cooperation between the Ministry of Culture of the Republic of Latvia, the Ministry of Culture of the Republic of Lithuania and the Ministry of Culture of the Republic of Estonia for the years 2012-2014; the Declaration of the Conference of the Culture Ministers of Baltic Sea Countries, 2008).

Studies and trends

There are several significant research papers concerning the culture and creative industries in Latvia: *The Economic Contributions of Copyright-based Industries in Latvia* (WIPO, Robert G. Picard and Timo E. Toivonen, 2005); *Design for Latvia* (by Mollerup Designlab A/S, Denmark, 2004); and *Creative Industries in Latvia* (by the research institute *BICEPS* of the Economic School of Riga, 2007); *Demand and Potential for institutionalising interdisciplinary design, higher education programme in Latvia* (Stockholm School of Economics, 2007); *Creative Industry Research. Update of Statistics* (BICEPS, 2008); *Architecture in Latvia: Statistical characteristics* (Excolo Latvia Ltd, 2014); *Methodology To Determine The Design Influence On The Latvian Economy* (Excolo Latvia Ltd, 2014); *Study on the Breakdown of the Financing Cultural Sectors Provided by the State Culture Capital Foundation* (Analitisko petijumu un strategiju laboratorija Ltd, 2014). The latest in-detail study on creative industries study was published in 2013: *The Performance of the Creative Industries Sector of Latvia and Preconditions for its Targeted Development* (summary in English; report in Latvian). The main conclusions presented in the study are as follows:

- Although the share of creative industries and related industries in the economy of Latvia has not changed significantly over the period from 2008 to 2011, major changes occurred within the creative industries sector itself – a significant increase in the number of enterprises, while there was a significant drop in the number of employees, as well as in the total amount of turnover.
- So far the creative industries are developing more in the capital city Riga; in the rest of the territory of Latvia the development centres of creative industries are not strong enough to promote the sector to the polycentric growth.
- Quality, professionalism and competence, and low prices these are three competitive advantages most frequently identified among creative industries entrepreneurs.
- IT programmers, IT experts, project managers, designers, marketing experts, architects and wood crafters are those professions for which demand in the next five years could grow in the job market.
- Availability of a skilled and professional workforce is one of the important obstacles for development of the creative industries, which could become more acute in the upcoming five years. This applies particularly to the IT sector experts.
- Software, internet portals, other entertainment and recreational activities and work of artists are those creative industries spheres which show substantial growth in turnover. Consequently, growth takes place mostly in the area of services (especially in IT and internet spheres).
- Architectural services, work of advertising agencies, publishing magazines and periodicals, placing advertisements in the mass media and publishing newspapers are those creative industries spheres that showed the biggest decrease in turnover.
- So far representatives of creative industries have not been active in export markets; most enterprises were focused exclusively on the internal market.

Support for culture and creative industries and main actors

The Ministry of Culture cooperates with the Ministry of the Economy, the Ministry of Science and Education and the Ministry of Finance in providing support to the creative industries. The consultative *Design Board* was established at the Ministry of Culture (2006). In 2011, a Consultative Council of Creative Industries at the Ministry of Culture has been established and renewed its work in 2014.

There are certain indirect measures for support of the culture and creative industries. A reduced VAT rate (of 12%, while the regular VAT rate is 21%) is applied to the press and publishing of books. VAT is not imposed on theatre and circus performances, concerts and events organised by cultural institutions and other cultural events, although the discussion on appliance of VAT to event tickets currently take place (it is foreseen to introduce on 2017).

As to direct incentives from the state budget, financial support is available from several sources:

- The Cultural Capital Foundation (see also chapter 2.1) regularly supports the culture industries (Literature, Music and Dance, Theatrical arts, Film arts, Visual arts, Cultural Heritage, Traditional Culture, Design and Architecture, Interdiscliplinary) in its project competitions and special target programmes.
- The Cultural Monuments Research, Conservation and Restoration Programme of the State Inspection for Heritage Protection [http://www.mantojums.lv] provides support for emergency conservation, restoration of cultural monuments, as well as for research of cultural monuments.
- The support of the National Film Centre [http://nkc.gov.lv/] is granted to promote the development of the film industry of Latvia, which covers the creation of films of Latvia, distribution of films of Latvia and foreign films, the preservation, protection, accessibility and popularisation of film heritage.
- The support of the Latvian National Cultural Centre [http://www.lnkc.gov.lv] is given to work salaries and state social insurance payments of professional art, music and dance programme teachers of local municipalities' education institutions and private founded education institutions, as well as managers of local municipalities founded artistic collectives.

The different types of funding for cultural projects are also available in local municipalities – the majority of Latvian municipalities announce annual open calls for projects (they can be either specific for cultural sector, or intersectoral), where it is possible to receive a small amount of financing (most often not more than 1 000 EUR) for cultural activities or events.

Larger amount of support is available in the municipality of the capital city. One example is Riga City Council and Swedbank, which have jointly organised the grant programme <u>Take off</u>. During the period 2009-2016, the programme supported 126 business ideas, giving to-tal financing of 1 000 000 EUR.

Financing for representatives of the cultural sector is also available in private funds and sponsorship activities. Boris and Inaras Teterevu Fund such as Charity [http://www.teterevufonds.lv], Generation _ Petera Avena Fund [http://www.generation.lv], ABLV Charitable Foundation [http://ablv.org/lv/raksts/1], Lat-[https://www.lattelecom.lv/par-lattelecom/par-mums/mestelecom Ltd sponsorship atbalstam] and others.

EU funds are also important financial source for the culture sector.

Creative quarters are being developed, led by private initiatives, with a state or municipal support; see publication <u>Riga's Creative Quarters</u>. The Ministry of Culture supports the initiatives of the <u>Tobacco Factory</u>.

The authors of the study *The Performance of the Creative Industries Sector of Latvia and Preconditions for its Targeted Development* (2013) conclude that the availability of financial support has a significant impact on the development of the creative industries – enterprises that have received financial support more frequently express willingness to increase the number of employees, as well as to expand business, and more often introduce new products. Moreover, the reduction of corporate income tax, adjustment of vocational training programmes to the needs of employees and enhanced cooperation with the educational

institutions are part of the state support "kit", which entrepreneurs evaluate as the most effective.

Main challenges for SMEs

Cultural industries are still a rather new concept that is not fully conceived either by the public sector or the commercial sector. Therefore, some cultural industry companies (even if not profit oriented) fail to receive public support earmarked for culture, while others do not match up to the criteria required by the Latvian Investment and Development Agency or the EU Structural Funds. Small and medium sized enterprises operating in the cultural industry sector, and cultural NGOs, face problems in applying to the EU Structural Funds for various reasons: legal status, requested minimum funding level is too high, and limited possibilities to get pre-funding and co-funding.

The study The Performance of the Creative Industries Sector of Latvia and Preconditions for its Targeted Development (2013) identify the main obstacles as:

- entrepreneurs rather often identify low demand as a key obstacle for business development;
- the availability of financial resources can be identified as an unequivocally interpreted obstacle of business an equally large number of entrepreneurs are influenced by the lack of current assets, as well as the restrictive high tax burden. Consequently, at least partly, growth opportunities for the creative industries are limited due to the lack of access by entrepreneurs to financial resources;
- the lack of employees is the third most frequently mentioned obstacle for development of business; and
- commercialisation of ideas are most often indicated by industry experts and entrepreneurs as a problematic aspect for the development of business. While the creative industries sector has plenty of ideas for creative work, there are not enough skills to commercialise them. Partly, the issue should be associated with the education system, where creativity is separated from the market economy, and it is considered a "thing" for sale.

Recent developments

Taxes

At the end of 2009, the Parliament endorsed a national macro-economic stabilisation plan proposing an increase in VAT from 18% to 21%; in 2011 VAT was increased to 22%, and in 2013 was reduced to 21%. The reduced VAT rate was increased from 5% to 10% in 2009 and from 10% to 12% in 2011. Initially, books, the press, cinema tickets and the tourism industry could benefit from the reduced VAT rate; however from 2011 the reduced VAT applies only to the press, certain categories of books and accommodation services at tourist lodgings. VAT is not applied to culture and entertainment events, although on 2017 it is foreseen to introduce VAT to such events, as well.

The *Micro-enterprise Tax Law* was introduced in 2010 (see chapter 5.1.5), but the discussions on cancelling such tax relieves or their significant restrictions in the coming years are currently taking place.

General developments

According to data of the study *The Performance of the Creative Industries Sector of Latvia and Preconditions for its Targeted Development* (2013) in the period from 2008 to 2012, the share of creative industries and related industries in the economy of Latvia was approximately 10% of the total number of enterprises and employees about 5% of total turnover and exports.

During this period, the number of creative industry enterprises increased by 35%, and related industries by about 7%. A particularly significant increase is observed for 2011 (+17%), which could be largely linked to the introduction of the micro tax.

The total amount of turnover in the creative industries during this period dropped by 18% and in related industries by 16%. Exports of creative industries increased by 18%, but the relative indicator of the average export volume per enterprise in the sector dropped by 15%.

Unfortunately, more recent data are not available, because regular statistics on cultural and creative industries are not collected. On behalf of the Ministry of Culture, the Central Statistics Bureau carry out an annual survey [http://www.km.gov.lv/lv/starpnozares/radosa/statistika.html] only about the number of employed persons in the creative industries (excluding the cultural sector and the cultural industries). These data show that, over the last five years (2009-2014) the number of employed persons in the creative industries increased by 24% reaching 46 492 persons in 2014.

Education

The state agency <u>Latvian National Centre for Culture</u> is responsible for education in the culture industries. The Ministry of Culture supports cultural education institutions (see chapter 8.3). Other institutions providing education programmes for culture industry professionals are: the <u>Baltic Film and Media School</u> at Tallinn University; (see chapter 3.4.4) design and media programmes in <u>Liepāja University</u>; <u>BA School of Business and Finance</u> in collaboration with the Art Academy of Latvia and the Latvian Academy of Culture is implementing a Master's Studies programme (in English) "Creative Industries Management"; in state Ltd "Riga Tourism and Creative Industry Technical School" it is possible to learn the interior design and fashion study programmes.

Three higher education institutions – the Stockholm School of Economics in Riga, the Baltic Film and Media School in Tallinn, and Aalto University School of Art and Design (TAIK) in Helsinki have joined forces in developing a creative industries' Master's Degree curriculum to bridge the concepts of creativity and entrepreneurial thinking. The aim of the joint MA programme is to introduce students to creative industries as a sector that offers entrepreneurial opportunities, promotes innovation and technological spillovers and fosters economic growth. The programme is going to be implemented by the <u>Baltic Film and Media School</u> in collaboration with the above mentioned institutions as partners.

See also chapter 8.3.

4.2.4 Cultural diversity and inclusion policies

Only the rights of ethnic minorities are recognised on a cultural policy level; other cultural minority groups based on common interests such as gender or sexual orientation are not on the agenda of cultural policy.

Native inhabitants of Latvia are Latvians. Only one ethnic minority is recognised as an autochtonous minority: the Livonians or Livs that were the indigenous inhabitants of Livonia, a large part of what is today north-western Latvia and south-western Estonia. Only a small group of them has survived into the 21st century: there were 168 Livonians living in Latvia in 2016 (Inhabitants Register of Office of Citizenship and Migration Affairs, 2016). The other minorities living in Latvia have general cultural rights (freedom of artistic expression) and the rights of ethnic minorities ("to preserve and develop their language and their

ethnic and cultural identity") recognised by the Constitution of the Republic of Latvia (1922, c. 8).

However, the ethnic representation is not homogeneous. Latvians constitute less than 2/3 of the inhabitants.

	1935	1989	2000	2015	Change, % 2015/2000	
TOTAL	1 905 936	2 666 567	2 377 383	1 986 096	-16	
Latvians	1 467 035	1 387 757	1 370 703	1 223 650	-11	
Russians	168 266	905 515	703 243	512 400	-27	
Belarusians	26 803	119 702	97 150	67 318	-31	
Ukrainians	1 844	92 101	63 644	44 709	-30	
Poles	48 637	60 416	59 505	42 466	-29	
Lithuanians	22 843	34 630	33 430	24 485	-27	
Jews	93 370	22 897	10 385	5 185	-50	
Roma	3 839	7 044	8 205	5 388	-34	
Germans	62 116	3 783	3 465	2 985	-14	
Estonians	6 928	3 312	2 652	1 839	-31	
Other	4 255	29 410	25 001	55 671	123	

Table 1:	Inhabitants of Latvia, by ethnic origin at the beginning of the year, 1935-
	2015

Source: Central Statistical Bureau of Latvia.

According to data of year 2015, 26% of the population of Latvia are Russians, but the Russian speaking population is approximately 1/3 of total population in Latvia, because a majority of Belarusians and Ukrainians also have Russian as their mother tongue. Over the last 15 years, the proportion of the population speaking in Russian has decreased – by about 5%, while at the same time by about 4% the proportion of Latvians increased.

Although every fourth Latvian resident is not a citizen, during the last 15 years the situation has substantially improved. In 2000, only 74% of those who were living in Latvia had citizenship, but in 2015 - already 85%.

In 2013, the Advisory Board for the Integration of Third-Country Nationals was established in the Ministry of Culture, in order to promote discussion and cooperation between the institutions in the field of integration of third-country nationals, and to facilitate their participation and involvement of non-governmental organisations representing them in developing the state policy in the field of integration of society. In Latvia, the number of thirdcountries nationals is not large (approximately 2.5% of the population), but it has a tendency to grow every year. According to data of the Office of Citizenship and Migration Affairs, in 2015, the largest number of third-country nationals' communities are - Russian, Ukrainian, Belarusian, Uzbekistan and Chinese citizens.

Cultural policy goals

The vision of a national culture policy includes an "open and consolidated society" and a "dialogue-based, diverse, excellent and accessible culture process" (*The National Culture Policy Guidelines*). However, the strategic aims of cultural policy reveal that this vision is to be reached through the step by step process of building national culture within a strong national state. The guidelines also include concepts of cultural pluralism and intercultural dialogue, however, when it comes to the performance indicators, they concern the indige-

nous minority Livs, the identity protection in Latgale culture-historical region, and Latvian art and culture.

Concerning other ethnic minorities, Latvia has chosen the "social cohesion approach" – a strategy aimed at integrating immigrants and having them learn the language and traditions of the host country. Since 2011, the Ministry of Culture is responsible for integration (in 2009-2010 it was the Ministry of Justice).

The Guidelines for Social Integration Policy have been in the development phase for several years and have experienced many alterations and editions. Finally, the Ministry of Culture has elaborated a new proposal and, after public debates in 2011, the Cabinet of Ministers has endorsed the National Identity, Civil Society and Community Integration Guidelines 2012-2018. The Guidelines have been criticised because of their excessive focus on Latvians and identity issues. Guidelines include also some of the national Roma integration policy measures (see Information on Roma integration policy measures in Latvia). The programme Livonians (the Livs) in Latvia 2008-2012 addresses the rights of Livs.

In 2015, the Baltic Institute of Social Sciences carried out the assessment of implementation of *the National Identity, Civil Society and Community Integration Guidelines 2012-2018* for time period 2012-2014 [http://www.km.gov.lv/lv/doc/nozaru/integracija/Zinojums_precizets_BISS_04_05_2015.p df]. Following areas of planned tasks are evaluated as fulfilled:

- strengthening usage of the Latvian language in public space;
- the increase of the number of non-governmental organisations;
- the increase of direct democratic forms of society participation;
- the increase of diaspora civil activity demand for Latvian language training for children and participation in the elections;
- the involvement of third-country nationals in the Latvian language training and integration events;
- the increase of minority participation in the process of the Song and Dance Celebration.

Whereas, following areas which should be given increased attention in the future are identified:

- the information space distinction between Latvians and foreigners;
- the maintenance and increase of civic participation level;
- the reduction and prevention of discrimination;
- the promotion of the naturalization process;
- the strengthening possibilities of third-country nationals' (immigrants') integration;
- the participation of minorities in public administration;
- social memory policy-making and implementation.

Policy instruments

The main cultural policy instruments concerning the rights of ethnic minorities are legal and financial instruments.

The main laws providing civic and cultural rights to national minorities are: the *Constitution of the Republic of Latvia* (1922) and the *Law on Free Development and Rights of Cultural Autonomy of National and Ethnic Groups* (1991), which aim to ensure the rights in accordance with the international norms for cultural autonomy and cultural self-governance of national and ethnic minority groups. In 2005, Latvia adopted a *Law* to ratify the Framework Convention for the Protection of National Minorities of the Council of Europe, and in 2007 a *Law* to ratify the *UNESCO Convention on the protection and promotion of the diversity of cultural expressions*.

The main financial instrument is direct subsidies to cultural and other institutions of ethnic minorities. The Ministry of Justice regularly supported the NGOs of ethnic minorities.

The Ministry of Culture regularly supports the *Association of National Culture Societies of I. Kozakēviča*, which unites more than 20 organisations of ethnic minorities, called national culture associations or unions. These subsidies are mainly intended to maintain the ethnic identity of diverse nationalities, and for the most part to preserve traditional culture (folk groups, dance, festivities etc.).

As to public institutions, public support is allocated to the mainstream cultural organisations of the ethnic minorities, such as theatres producing and presenting performances in the Russian language. The Ministry of Culture supports the Mikhail Chekhov Riga Russian theatre, and the Russian language productions at the Daugavpils City Theatre and the Latvian Puppet Theatre. For the most part, cultural diversity is supported by the allocation of public support to the organisations of ethnic minorities. There are no programmes or financial support schemes that would encourage other cultural institutions to carry out audience development activities or cultural programmes to address cultural diversity and achieve more diverse audiences. The staff of Latvian cultural institutions tends not to be culturally diverse.

Some mainstream organisations pursue cultural diversity at least in the language sphere. There are several initiatives, such as the *Symphony concerts for kids and their parents* (both Latvian and Russian language programmes) by the Latvian National Symphony Orchestra; several museums offer pedagogical programmes also in the Russian language for pupils from bilingual schools. All minority groups and organisations are eligible to apply for grants to the State Cultural Capital Foundation and the Latvian Society Integration Foundation.

There is a lack of data about cultural activities outside the public sector, although Russian cultural life – guest performances and concerts from Russia, and other activities play an important part of the cultural life in larger cities, such as Riga or Daugavpils and they are mainly financed by the private sector.

Education in national minority languages is a precondition for maintaining the cultural identity of national minorities in Latvia. The Latvian government provides education in seven national minority languages, which is more than in the most European countries. State-financed education in Latvia is in Russian, Polish, Ukrainian, Belarusian, Lithuanian, Estonian and Hebrew. Courses in state-financed universities are taught in Latvian, while some private educational institutions have opted for languages other than Latvian as the medium of instruction.

In accordance with the information of the Ministry of Foreign Affairs, in 2014/2015 study year, 824 education institutions received public financing. 109 of these education institutions implement minority education programmes (including 99 schools implement education programmes in Russian and bilingual, 4 in Polish and bilingual, 1 in Ukrainian and bilingual, 1 in Belarusian and bilingual, 2 in Jewish, 1 in Latvian and Lithuanian, 1 in Latvian and Estonian).

75 educational institutions implement both Latvian, and minority education programmes, as well as 3 private educational institutions implement general education programmes in English (2 school) and French (1 school). There are also 28 night, extramural and distance education institutions, of which 14 implement both Latvian, and minority education programmes. Several educational institutions ensure Roma pupils' education.

In study year 2013/2014, 58 854 pupils studied in minority education programmes, reaching 28% of the total pupil population in Latvia.

Upon regaining its independence in 1991, Latvia inherited from the Soviet Union a segregated education system – Latvians went to Latvian language schools, while Russians and other minorities attended schools with Russian language instruction. In the early 1990s Russian schools taught virtually no Latvian language and produced graduates whose poor Latvian skills hampered them from competing in the job market and for university admissions. The phasing in of education reform took place gradually, starting from 1995, and was fully completed in 2007.

In 2009, a reform was started in the education system to enhance efficiency that led to the closure of schools with smaller numbers of pupils. As part of minority schools have a small number of pupils, the debate on the future development of such schools has been raised. One of the development strategies for such schools suggests transforming them into multi-functional centres for minority culture and education.

Policy impacts

The survey (2014) shows that cultural consumption is lower in the group of those who does not speak Latvian in their families than among Latvian speakers: during the previous year, the respondents participated at least in 6.9 and 8.9 cultural activities respectively. In the professional arts sector, the difference between those who speak Latvian at home or another language is even larger. Latvian speakers attend museums, exhibits, theatres and opera more often than those who speak other languages at home.

Although ethnic minorities attend and consume cultural activities on a less regular basis than native inhabitants, the analysis of major barriers for art attendance does not reveal reasons for this. Possibly, the barriers hindering arts attendance among ethnic minorities might be due to perceptions, beliefs and attitudes, motivation and cultural factors.

4.2.5 Language issues and policies

The Official Language Law (2000) names Latvian as the official state language.

Special status is given to the Livonian language spoken by the original inhabitants of Latvia to keep it from dying out. The population census of 2011, carried out by the Central Statistics Bureau, shows that the population in Latvia consists of more than 160 nationalities. The prevailing spoken languages are Latvian and Russian (see chapter 4.2.4).

<u>The Ministry of Education and Science</u> is responsible for the general management of implementation of the policy of the state language. Major tasks of the Ministry are to develop the state language policy with the objective to strengthen the status of the Latvian language and ensure sustainable development of the language; and to organise the implementation of the state language policy, including provision for learning the state language, availability of international documents in the state language, by means of coordination of the implementation of the state language policy and encouraging multilingualism of the citizens of Latvia.

Since 1996, a state programme for learning Latvian has been in effect and is carried out with governmental and donor funding. Since 2009, the <u>Latvian Language Agency</u> (supervised by Minister of Education and Science) implements the state language policy, which is formulated in the *Guidelines of the State Language Policy for 2005 – 2014*.

The *Official Language Law* determines that information in posters, banners, signs etc. have to be in Latvian. Where other languages are used, the text in the state language must be given priority placement and cannot be smaller than the text in other languages. See chap-

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ter 4.2.6 about the requirements of the use of the official language in the media according to the *Electronic Mass Media Law* (2010, last amendments in 2016). See also chapter 5.3.7 about legislation.

4.2.6 Media pluralism and content diversity

Policy and legislation

The new *Electronic Mass Media Law* was adopted in 2010. The previous *Law on Radio and Television* (1995) was outdated and not in accordance with the EU Audiovisual Media Services Directive.

This law has been heavily debated both in society and in the Parliament. Only its revised version was enforced by the President. The law has been criticised because it does not ensure political and economic independence of public media, and transparency in administering public media.

Also, the requirements for the use of the official language (Latvian) in media were broadly discussed. The law stipulates that the national and regional electronic mass media shall ensure that in the programmes produced by them, at least 65% of all broadcasts, except for the commercials, are in the official language. Moreover, the national and also regional electronic mass media shall ensure that in the television programmes produced by them, at least 40% of the transmission time of European audiovisual works (European audiovisual works altogether should be at least 51% of the weekly transmission time), except for news, sports events, games, and commercials, is reserved for audiovisual works in the Latvian language.

In 2012, a working group was established by the National Electronic Mass Media Council to elaborate amendments to the law. The main problems are discussed in *the National Strategy of Electronic Mass Media 2012-2017* (adopted in 2012, available in Latvian).

Anti-trust measures to prevent media concentration are stipulated by the <u>Competition Law</u> (in force since 2002, latest amendments in 2015) and the <u>Electronic Mass Media Law</u> (2010). The <u>Electronic Mass Media Law</u> stipulates that abuse of a dominant position of an electronic mass medium is prohibited. Within the meaning of this Law, the position when the market share of an electronic mass medium in Latvia in a particular market exceeds 35% shall be considered as a dominant position. The purpose of the <u>Competition Law</u> is to protect, maintain and develop free, fair and equal competition in the interests of the public in all economic sectors by restricting market concentration.

TV and Radio

There is one public TV organisation (Latvian Television) and one public radio (Latvian Radio) that are supervised by the National Electronic Mass Media Council (<u>NEPLP</u>). More than 20 commercial (private) TV companies and more than 40 commercial radio companies operate in Latvia. Cable TV and transnational satellite TV companies function as well.

<u>Latvian Television</u> is a non-profit making limited liability company that is owned by the state. About 60% of its financing comes from the national budget, while the rest must be earned by the television station itself through its activities and the sale of advertising. This is a regularly debated issue, as commercial TV companies argue it to be an unfair situation and they are even accusing public TV of price dumping in the advertisement market.

Year	Subsidy, EUR
2007	11 894 820
2008	13 701 528
2009	11 891 085
2010	10 144 631
2011	9 988 115
2012	11 074 955
2013	12 403 633
2014	13 074 565
Source.	Annual Donorta of Latvian Dubl

 Table 2:
 Public subsidy for Latvian Public TV, 2007-2014

Source: Annual Reports of Latvian Public TV.

Share of the audience for Latvian public television is smaller than audience share for major commercial TV stations: in 2015, the audience share for public TV's 1st channel was 9.7%, for the 2nd channel 2.7%, while for the major commercial TV station TV3 - 11.7% (source: TNS Latvia). In recent years significant changes have happened in habits of TV audience – Latvian public television audience has slightly increased annually, while at the same time the audience share for major commercial TV stations has decreased (for example, LNT audience decreased from 11.1% in 2012 to 8.1% in 2015, TV3, respectively, – 13.8% and 11.7%).

There are major differences for TV consumption in the groups by different nationalities. Among non-residents (mostly – Russians) in 2015 the most watched TV channels were retranslated from Russia PBK (16.2%), RTR Planeta Baltija (12.7%) and NTV Mir Baltic (11.8%), while the share of the audience for the Latvian public television among Russians is only 1.8%, and share of commercial channels transmitting in Latvian does not exceed 2% each. Such media consumption marks a significant integration challenge of society – largely isolated information space of different nationalities among residents of Latvia.

An annual contract between the public broadcasting companies and the National Electronic Mass Media Council stipulates the public remit. According to that, in 2015 8% of the LTV budget is allocated to culture, theatre, productions and music (in total 950 200 EUR). It is approximately two times less than for entertainment (18%), and around the same as for children and adolescents programmes (8%) and sports (12%). In total the original programmes in cultural sector have 212.8 hours of all the broadcasting time (7%).

In 2013, a decision to develop public service broadcasting in Latvia (merging public broadcasters Latvian Television and Latvian Radio) has been taken by the National Electronic Mass Media Council. It will require 5 years (until 2018) and about 42 million LVL (60 million EUR) investments.

Printed media

Several factors have aggravated the situation of printed media lately. Firstly, economic crisis has left an impact on consumption patterns. Many long-time subscribers are giving up their newspaper and magazine subscriptions, as well as choosing not to buy press from a news-stand. If in 2011, 72% of Latvian population read newspapers at least once a week, then in 2013 – just 60%. Readers of regular newspapers decrease more rapidly. (see <u>Study on Audience of Printed Media</u> by TNS in Latvian).

Secondly, advertising revenues across all media have dropped by 46% in 2009 (if compared to 2008) reaching a drop of 57% in newspapers (see more detailed data of the <u>Latvi-</u> <u>an Advertising Association</u> in the <u>presentation</u> on advertising market volume in Latvian mass media in 2009 (in Latvian). See also the website of <u>TNS Latvia</u>). Thirdly, internet usage has continued to grow. In 2008, 57% of individuals used the internet regularly (at least once a week), in 2012, the number of internet users has grown to 70% (source: <u>Central Statistical Bureau</u>).

Fourthly, the changes in VAT increased the costs of the printed media (see chapter 5.1.5).

The combination of a dramatic drop in revenues and aggravated changes in media consumption habits has led to deep transformations in the print media market, the most shattering event in 2009 being the departure of the *Bonnier Group*, a major foreign investor and the owner of the main daily *Diena* and its businesses (*Dienas Mediji*) – a printing house, several regional newspapers, a newspaper distribution company and a magazine division. In 2010, the owners of the largest Russian daily "Telegraf" have changed as well.

The influence of oligarchs and consequent self-censorship of journalists have been widely discussed.

Also, the situation with the printed cultural press has been complicated. In 2011, the only cultural weekly "Kultūras Forums" ceased to be published. However, at the end of 2011, the Ministry of Culture announced a competition and assigned a public subsidy for publishing cultural content in dailies. Because of a significant decrease of the budget of the State Culture Capital Foundation (see chapter 2.1), many of the cultural magazines ceased to be published in 2010 or in 2011. Some of them are to be continued in electronic format.

Also, new electronic media have appeared. Examples include the visual arts portal and magazine <u>Studija</u>, the photography portal <u>Foto Kvartāls</u>, the music magazine <u>Mūzikas</u> <u>Saule</u>, a portal on architecture <u>A4D</u>, a literature and philosophy portal <u>1/4 Satori</u>, the contemporary literature and philosophy journal <u>Punctum</u>; theatre portal <u>Kroders.lv</u>, portal on cultural policy <u>Culturelab</u>, literature magazine *Latvju Teksti* and <u>Latvian Literature</u> (in English), cultural newspaper of Latgale region <u>http://www.lakuga.lv/</u>. A new website <u>Arterritory.com</u> has been launched on Baltic, Scandinavian, and Russian art and culture in Latvian, Russian, and English. <u>FOLD</u> promotes the best in Latvian and foreign creative industries.

Until 2009, the State Culture Capital Foundation was the main supporter of cultural broadcasts and cultural publications in the printed media in Latvia. It had the following support programmes: *Cultural broadcasts on Latvian TV* (2007: LVL 100 000; 2008: LVL 80 000); and *Documentation and publications in visual arts* (2007: LVL 40 000). Support for cultural periodicals in 2007 was LVL 508 017; in 2008 – LVL 560 000. Since 2009 every decision about financial support to cultural publications was thoroughly debated among experts as of limited financial resources.

4.2.7 Intercultural dialogue: actors, strategies, programmes

The competence of the population in the topic of intercultural dialogue in Latvia is limited. Although Latvian society is shaped by a wide variety of cultures, there is a lack of understanding and knowledge between groups, which stimulates further collective prejudices, stereotypes and intolerance.

In policy documents, interculturalism is understood as transnational collaboration, participation in networking and international co-operation instead of developing intercultural dialogue within the country. Although public policy documents include the principles of intercultural dialogue and stress the need for a dialogue, understanding and diversity on a political level, mainstream discourse supports the idea that the state has to strengthen national identity through policy measures. Integration is to be based on the official language (Latvian) that is stipulated in several documents, including the *Official Language Law* (2000) and the *Electronic Mass Media Law* (2010). From 2011, the Ministry of Culture is response.

sible for integration (see chapter 4.2.4). In 2011, *Guidelines of National Identity, Civil Society and Integration Policy* were adopted.

Meanwhile, part of the public and media discourse through research, publications and debate promotes interculturalism as a future strategy for the development in Latvia. Major debate concerns bilingual education (important changes introducing more lessons taught in the Latvian language in the Russian schools were carried out in 2004, which provoked resistance in society).

At present, the national policy towards intercultural dialogue and promotion of tolerance is being implemented by various state and local authorities and NGOs active in the field of human rights and diversity. Among the key actors are:

- The Ministry of Culture (<u>http://www.km.gov.lv</u>);
- The Office of Citizenship and Migration Affairs (<u>http://www.pmlp.gov.lv/en/</u>);
- The Latvian Society Integration Foundation (<u>http://www.sif.gov.lv/</u>);
- Office of the Ombudsman (<u>http://www.tiesibsargs.lv</u>);
- Centre for Public Policy *Providus* (<u>http://providus.lv/en</u>);
- Latvian Centre for Human Rights (<u>http://www.humanrights.org.lv/html/</u>);

Intercultural projects are not a common practice for cultural institutions.

The State Culture Capital Foundation (<u>http://www.kkf.lv</u>) and The Latvian Society Integration Foundation (<u>http://www.sif.gov.lv/</u>) support intercultural activities and institutions.

4.2.8 Social cohesion and cultural policies

There is no articulated social cohesion policy in Latvia however the main planning documents address the issues of social cohesion.

In recent years, immigration is not at a significant level (4 011 persons in 2010, 10 234 persons in 2011, 13 303 persons in 2012, 8 299 persons in 2013, and 10 365 persons in 2014 according to the data of The Central Statistical Bureau. In the last 25 years net migration has been negative in Latvia, average in one year time the number of migrants exceeding the number of immigrants by 10 000 persons, thus social cohesion issues are directed more at the social stratification and social inequality of the permanent residents (both citizens and non-citizens), development of the regions, especially in the context of centralisation of inhabitants, business, entertainment and other activities in the capital (32% of the resident population lives in the city of Riga; 51% resides in the Riga region and its neighbourhood (Pieriga region), source: Central Statistical Bureau of the Republic of Latvia, 2015). 76 towns and cities constitute the urban network of Latvia, hosting about two thirds of the country's population at the beginning of 2015. Altogether, the data indicate significant disparities in the level of development and positive movement between the large urban centres and the remaining towns in Latvia, as well as their impact on the development of the surrounding areas.

Disparities in the quality of life, as well as the quality and quantity of the economic and social infrastructure in large cities, their vicinities and in other territories of the county, considerably increase. Authors of the study on urban and rural interaction have found a correlation between the size of the city and its neighbourhood: the larger the city in terms of its population and economic potential, the larger the surrounding area it influences and its impact on the surrounding rural territory and other towns that are smaller in terms of their population and economic variety is more diverse (the study "Assessment of the Mutual Interaction of the Urban and Rural Territories of Latvia", available in Latvian, 2009).

The territorial reform completed in 2009 changed the administrative division, consolidating small rural local municipalities in larger territorial administrative units – counties (see chapter 3.2).

Policy documents and social cohesion

The purpose of <u>Regional Development Law</u> from 2002 is to promote and ensure balanced and sustainable development of the state, taking into account special features and opportunities of the entire state territory and of separate parts thereof, to reduce the unfavourable differences among them, as well as to preserve and develop the features characteristic of the natural and cultural environment of each territory and the development potential thereof.

The Sustainable Development Strategy of Latvia until 2030 (Latvia 2030, available also in English) maps out the spatial development perspective, setting as one of the objectives to create equal life and work conditions for all inhabitants regardless of the place of residence by facilitating entrepreneurship in regions, developing transport and communications infrastructure and public services.

<u>The National Development Plan of Latvia for 2014-2020</u> includes a priority "Growth for Regions" aiming to create preconditions for sustainable and balanced economic development in the cities and regions of Latvia and to provide for the smart and efficient management of the available resources, the use of opportunities for territorial development and the minimisation of threats. The priority includes also the strategic objective of "Sustainable Management of Natural and Cultural Capital" and proposes the definition of a "basket of services" that contains the prospective assortment of public services (including cultural services) based on the level of settlement (infrastructure and services). The new planning document in the field of culture *Creative Latvia 2014-2020* is harmonised with the priorities of the *National Development Plan of Latvia 2014-2020* and *The Sustainable Development Strategy of Latvia until 2030*. As one of four priorities it promotes the development of creative territories and accessibility of cultural services.

Cultural activities and development in the regions

Several studies show that Riga hosts the majority of cultural activities and initiatives.

The recent study on creative industries in Latvia states that only about 1/4 of creative industries and 1/3 of related industries are situated in the regions. Although in years 2008-2011 the fastest increase in the number of creative industries enterprises was observed in Latvia's regions Pieriga and Latgale, though it did not have a significant positive impact on the number of employees and turnover of the sector in total. More than 80% of the total turnover of creative industries is provided by enterprises in Riga, and in related industries enterprises in Riga make about 70% of the turnover. Approximately 60% of creative industries added value is provided by enterprises in Riga. The rest of each Latvian region creates around 10% of the total added value of creative industries and related industries. (*The Performance of the Creative Industries Sector of Latvia and Preconditions for its Targeted Development*, 2013, <u>summary</u> in English; <u>report</u> in Latvian; see also chapter 4.2.3).

Data of recent study "Cultural Consumption and Participation of Latvian Population in Cultural Activities 2007-2014" shows, that most often people attend cultural events in their place of residence (81%), but more than the half (58%) of the population of Latvia at least once a year attend cultural events in the capital city, while only 43% - events in their region. This means that currently Riga is the main centre of cultural events and activities - people, who frequently attend events outside their place of residence, normally go to Riga, rather than other populated areas in their region or district. This allows to raise the question whether and how the cultural consumption in regions will be affected by the new cultural

infrastructure objects in Daugavpils, Rezekne, Liepaja, Cesis and Liepaja (see chapter 4.1.). Although they have a great potential to provide cultural offer as close as possible to the places of residence of regional population, currently the population's interest about them is not explicitly great. Though relatively many people are aware of these cultural infrastructure objects, only few of them are ready and interested in visiting them during the nearest year. For example, despite the fact that 35% of the population know the Cesis Vidzeme Concert Hall, only 7% express interest to visit it within the nearest year. Other new infrastructure objects have similar rates regarding the interest in visiting them. This is not a high score in relation to the overall awareness of specific objects. Consequently, the "conversion" of awareness into visiting is a significant development challenge of these objects. It should be stressed that currently there is no observable relation between awareness and attendance, namely - the visit readiness indicator of cultural objects, which are more recognizable, are not higher than those of less familiar ones. This, in turn, suggests that the promotion of awareness alone will not determine the growth of attendance. This can be particularly observed in relation to the attendance of cultural objects in other regions. A relatively large part of the population of all the regions wants to go to see the new building of the National Library of Latvia during the next 12 months, while newly opened cultural objects in the particular regions might have been mainly visited by inhabitants of the same region only, and extremely rarely by those living in other (even closest) regions.

Data from the Central Statistical Bureau about household expenditure clearly indicates that inhabitants of Riga spend more money on recreation and culture than inhabitants in other regions. In 2014, household members living in Riga spent 35.46 EUR per month on culture and recreation activities, while those living in the Pieriga region (neighbourhood of Riga) spent 20.82 EUR per month, while expenditure for those in the rest of the country was from 14.0 to 19,09 EUR per month.

Support to cultural initiatives in the regions

1) Since 2006, there are support programmes for each of the 4 regions. Since 2007, the money has been allocated by the State Culture Capital Foundation to regional representatives that announce a local open call. So the decision-making and distribution of money have been decentralised.

2) The Ministry of Culture has signed agreements with several city councils concerning the distribution of professional arts activities in the regions.

3) The annual contracts between the Ministry of Culture and state art institutions (theatres, orchestras) stipulate a certain share of performances that has to be presented outside permanent venues of the institutions.

4) Other initiatives: since 2011, the National Film Centre has supported projects of film distribution in the regions.

5) Since 2012, the State Culture Capital Foundation has established a funding programme that supports distribution of professional art events in the regions.

Main actors in the field

- the **<u>ES fondi</u>** (Structural Funds and Cohesion Fund);
- <u>The EU Structural Funds</u> / department at the Ministry of Culture;
- the <u>Social Integration Fund</u>;
- the Ministry of the Environmental Protection and Regional Development;
- <u>the Ministry of Culture;</u>
- <u>the Ministry of Welfare;</u> and
- <u>State Culture Capital Foundation</u>.

4.2.9 Employment policies for the cultural sector

There is no comprehensive data available concerning those working in the cultural sector. Different sources indicate different numbers of employed persons in the field of culture.

Table 3:Number of employees in arts, entertainment and recreation (NACE Rev.
2) 2008-2015

Total	2008	2009	2010	2011	2012	2013	2014	2015
Number	26 500	23 600	18 700	16 600	23 000	21 500	22 400	22 400
% from total	2.5	2.6	2.2	1.9	2.6	2.4	2.5	2.5

Source: Central Statistical Bureau of Latvia

The employment statistics show that the number of people employed in the cultural sector over the last eight years has decreased by 15%. At the same time, the proportion of employed people of the cultural sector in the overall number of employed people in Latvia has remained stable (decreased slightly in 2010-2011, but then increased to the same level).

Table 4:Creative industries statistical characteristics: number of employed, 2008-
2011

Characteristics	Numbers and increase
Number of employed in creative industries enterprises and its in- crease	37 030 (-12 287)
Number of employed in related industries enterprises and its in- crease	36 915 (-15 394)
Share of number of employed in creative industries enterprises in total number of employed in enterprises in Latvia and its increase	4% (0%)
Share of number of employed in related industries enterprises in total number of employed in enterprises in Latvia and its increase	4% (-1%)
Average number of employed in creative industries per enterprise and its increase	5 (-4)
Average number of employed in related industries per enterprise and its increase	7 (-3)

Source: Report "The Performance of the Creative Industries Sector of Latvia and Preconditions for its Targeted Development", Association of persons Baltijas Konsultacijas Ltd and Konsorts Ltd, 2013.

The data show that during the last four years the number of employees in creative industries dropped by 25% (-12 287 employees) and in related industries – 29% (-12 394 employees). The fall in the total number employed in the creative industries was considerably larger than in Latvia as a whole (respectively -25% and 14%).

Table 5: Occupied posts by kind of economic activity on average per year, 2015

	Total	Public Sector	Private Sector
Arts, entertainment and recreation	24 083	15 998	8 085
Creative, arts and entertainment activities	9 902	8 958	944
Libraries, archives, museums and other cultural activities	5 426	5 327	99
Gambling and betting activities	3 656	101	3 555
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Sports activities and amusement and recreation activities		1 612	3 487

Source: Central Statistical Bureau of Latvia.

More detailed cultural employment statistics show that 66% are employed in the public sector and 34% – in the private sector. The largest part of the employees of the private sector work in gambling and betting activities, as well as sports activities and amusement and recreation activities (proportion of employed people in these private sectors make respectively 97% and 68%).

41% of employed people in the cultural sector are engaged in creative, arts and entertainment activities, 23% – libraries, archives, museums and other cultural activities, 21% – sports activities and amusement and recreation activities, but 15% – gambling and betting activities.

The study on the *Status of Creative Persons in Latvia in 2012* (Latvian Academy of Culture, 2013) indicate that 18% of the respondents are self-employed, while 25% are employed illegally (61% say that the reason for not paying taxes not enough remuneration).

The government approved its willingness to increase salaries in the cultural sector by signing the Memorandum (2005) that guaranteed an increase in the average salary in state cultural institutions until 2010. In 2009, due to the economic crisis, salaries in public administration decreased by 11%, while in the public cultural sector they decreased by 35% if compared to 2008. In 2015 the average gross salary in public cultural sector was 853 EUR, in private cultural sector – 799 EUR, while average gross salary in Latvia – 818 EUR. In the past ten years, average salary in Latvia has increased by 134%, in the public cultural sector the highest salaries are in the public sector, its growth is faster in the private sector.

Figure 1: Average monthly gross salary of employees in the cultural sector, in EUR, 2005-2015



4.2.10 Gender equality and cultural policies

The topic of gender equality is not a major topic for political discussion. In line with international and European legal documents, gender equality is guaranteed in the legislation of Latvia in all spheres of life. Most important of these legal norms is *Article 91 of the Consti*- *tution* stating that "All human beings in Latvia shall be equal before the law and the courts. Human rights shall be realised without discrimination of any kind." The most important sectorial laws containing new norms promoting gender equality came into force in 2002, namely, the *Labour Law*.

More specifically, norms of equal pay, equal access to employment, vocational training and promotion, and working conditions, parental leave, burden of proof in cases of discrimination based on sex, protection of pregnant workers, protection against harassment and sexual harassment, and non-discrimination based on gender are part of these documents. In line with general political and legislative processes in the European Union, an increasing number of national laws are amended to include clauses of equal treatment due to gender. Likewise laws to regulate provision of goods and services and insurance provided by private insurance companies are amended in order to prevent gender based discrimination.

Women are very actively involved in cultural processes both on national and local levels. Majority of the employees in the cultural sector are women: the majority of cultural administrators in Latvia are women; for example, civil servants of the Ministry of Culture are mainly female (84% of employees at the Ministry of Culture in 2012 were women), as are most theatre and art critics and curators in Latvia. *Eurostat* data on employment in 2014 suggests that cultural employment of females has been 4.3% of total employment which ranks Latvia in the sixth place in Europe following Luxembourg, Iceland, Estonia, Finland and Sweden.

The Ministry of Welfare is the responsible institution for the development of gender equality policy in the government. The *Council of Gender Equality* (under the direction of the Welfare Minister) was established in 2002 to encourage, protect, and resolve problems of gender inequality at the governmental level. In 2010, a new Committee of Gender Equality was established instead of the Council. Its main functions include coordination of all the stakeholders, such as ministries, NGOs, social partners, municipalities. The *Programme for Gender Equality Rights 2012-2014* (adopted by the Cabinet of Ministers in 2012) sets out objectives and an action plan in the gender equality field (see more on the website of the <u>Ministry of Welfare</u>).

4.2.11 New technologies and digitalisation in the arts and culture

In 2003 the State Agency <u>Culture Information Systems</u> was established under the supervision of the Ministry of Culture. The Agency has initiated intense work to stimulate the use of new technologies, especially in museums, archives and libraries.

During the last decade significant projects have been developed in the field of digitalisation of memory institutions and developing other services in cultural field. Many of these projects have been co-financed by the EU Structural Funds. The following activities feature important developments in the field:

Municipal public library development project

In order to hasten the development process of Latvian libraries, a huge project in the field of IT and culture was started in 2006. Within the framework of the *Global Libraries Initia-tive* of the Bill and Melinda Gates Foundation, The Republic of Latvia has received a grant of USD 16.2 million to provide all 874 Latvian public libraries with broadband Internet connections, to build a Wi-Fi network for library users, to provide 4 000 computers to meet an anticipated high demand, and to offer basic computer training for library librarians. *Mi-crosoft Latvia* has donated the software. For the first time, significant technical investments were made in the Library for People who are blind. 28 regional libraries have been equipped with computers for blind people.

As the result of the project, the role of public libraries has become also social and information centres. The study on *Latvian public libraries and the internet* (2013, available in Latvian <u>here</u>) suggests that 17% of respondents use libraries for printing, scanning, copying documents and 15% use the internet on computers at libraries.

Unified Archival Information System

The aim is to launch an integrated system for all the archives in Latvia making them freely available to society.

National Museum Holdings Joint Catalogue

This is an integrated technical infrastructure unifying 111 museums in Latvia (74 municipal museums, 25 state museums, 12 private museums). There are about 5.4 million objects in the National Museum Holding, yet 97% of them are not available to the broader public. The project aims to enhance the accessibility of museum holdings for the broader public. The project is implemented with the support of the European Regional Development Fund.

Latvian culture mapping project

The *Culture Mapping Project* began in 2005. It is a complex database of cultural infrastructure and services all over Latvia. Since 2010, the statistical data on cultural institutions are collected through this website, although public accessibility of statistics is still provided by the <u>Central Statistical Bureau</u>.

Cross Border E-archive

Aim of this 2 year (2012-2014) project (with the financial assistance of the Estonia - Latvia - Russia Cross Border Cooperation Programme within European Neighbourhood and Partnership Instrument 2007 - 2013) was to create a digital environment for descriptions and data of archival materials in Estonia, Latvia and Russia border area archives. Cross border E-archive highlights significant information and materials related Estonia, Latvia and Russia and formed new collections based on state archives with unlimited access to all interests. Under its web-platform a semi-professional social network was created to unite historians, archivists, librarians, educators and other people interested in cross border cultural, historical, educational, personal or any other professional contacts.

Other initiatives

There are other initiatives in the field of digitalisation, such as technical administration of the library information system - Aleph500 and the State Integrate Library Information System. The National Film Centre in collaboration with the state agency "Cultural Information Systems" has made Latvian films available free of charge in 874 public libraries via 4 000 computers all around Latvia. With the support of EU structural funds, the archives of public radio and TV are to be digitalised and made available through the network of public libraries. During the years 2009-2011 an integrated information management system is being elaborated to unify information about cultural institutions.

Many new technology projects and culture related internet portals are supported by the State Culture Capital Foundation. For further information on the new technologies in the arts see also:

- Multimedia Design Department at J.Rozentals Upper Secondary Art School http://www.jrrmv.lv/?l=1;
- Riga Centre for New Media Culture RIXC <u>http://www.rixc.lv;</u>
- Contemporary Art Museum Project <u>http://www.camp.lv/eng/;</u>
- Multimedia Design Company http://www.dd.lv/studio/index.php?lang=eng; and
- Culture and Art Project "*Noass*" <u>http://www.noass.lv</u>.

4.3 Other relevant issues and debates

Information is currently not available.

5. Main legal provisions in the cultural field

5.1 General legislation

5.1.1 Constitution

The <u>Constitution of the Republic of Latvia</u>, *Chapter 8, 113* states: "The State shall recognise the freedom of scientific research, artistic, and other creative activity and shall protect copyright and patent rights." and *114* states: "Persons belonging to ethnic minorities have the right to preserve and develop their language and their ethnic and cultural identity."

In 2014, amendments were adopted. In the introduction of the Constitution it is said that "Since ancient times, the identity of Latvia in the European cultural space has been shaped by Latvian and Liv traditions, Latvian folk wisdom, the Latvian language, universal human and Christian values. Loyalty to Latvia, the Latvian language as the only official language, freedom, equality, solidarity, justice, honesty, work ethic and family are the foundations of a cohesive society. Each individual takes care of oneself, one's relatives and the common good of society by acting responsibly toward other people, future generations, the environment and nature."

5.1.2 Division of jurisdiction

The Ministry of Culture is responsible for most of the legal cultural competence in Latvia. There are legal provisions for cultural organisations defined in special laws, which subordinate the respective cultural branches to the Ministry of Culture even if the organisations are established and administered by the municipalities. For example:

- Law on Libraries (1998);
- Law on Museums (2006); and
- Law on the Protection of Cultural Monuments (1992).

The <u>Law on Local Governments</u> (1994) defines the division of labour and responsibilities between the state and local authorities in providing services, including those in the cultural field. Section 15 of the *Law on Local Governments* defines the autonomous functions of local governments including the following one: "to maintain culture and facilitate the preservation of traditional cultural values and the development of creative folk activity (or-ganisational and financial assistance to cultural institutions and events, support for the preservation of cultural monuments, and others)".

5.1.3 Allocation of public funds

The <u>Law on Budget and Financial Management</u> (1994) determines the procedures for the formulation, approval and implementation of the state budget and local government budgets, and responsibilities in the budget process. *The Law on the State Budget* is adopted every year, defining the distribution of the state budget and transfers to local government budgets.

The <u>Law on the State Culture Capital Foundation</u> (2005) defines the legal status of the CCF as a public foundation, the establishment and the procedures for the accumulation, management and utilisation of its resources. The law was first adopted in 1997, determining that the budget of the CCF was to be supplemented from a 3% alcohol and tobacco excise tax. In 2003, a new *Law on the CCF* was adopted, which changed its legal status to a

public foundation and changed the source of its funding. It was decided that the CCF would be part of the budget of the Ministry of Culture. According to the recent amendments to the *Law on the CCF*, the budget of the foundation should increase every year: in 2005-2007 it increased by 10% each year. However, due to the recession its budget in 2010 was reduced to 2.1 million LVL (3 million EUR), which was by 72% less than in 2008 (see chapter 2.1).

5.1.4 Social security frameworks

The social protection of artists in Latvia is regulated by general legislation and by <u>Labour</u> <u>Law</u> (2002) and <u>Law on State Social Insurance</u> (1998). There are no special provisions for self-employed artists to have access to the social security system. Many artists work in other fields to earn a living, for example in education, mass media, or advertising.

In 2004, a *Law on the Service Pension of State and Local Government Professional Orchestra, Choir, Concert Organisation, Theatre and Circus Artists* was adopted. The purpose of this Law is to ensure the right to a service pension for state and local government professional orchestra, choir, concert organisation, theatre and circus artists in light of the fact that working in these professions over a period of time is connected with the loss of one's professional skills before reaching the age determined for the granting of an old-age pension, and to lay down the procedures for the granting, calculation and payment of the service pension. In 2013, the Ministry of Welfare planned to make a major reform of the laws on service pensions, as currently there are 8 laws in different fields. The plan is to reduce the number of professions that can receive service pensions and to raise age limit. In the field of culture, currently about 150 people receive the service pension. However, no major reform has been implemented.

The *Law on the Status of Creative Persons and Professional Creative Organizations* is at preparation stage for some time. In 2011, the Council of the Creative Unions of Latvia initiated a discussion on the development of legislation on artists' social security. In 2012, a working group at the Ministry of Culture is to be established. Currently the draft law has been developed. See chapter 8.1.1.

5.1.5 Tax laws

The Law on <u>Value Added Tax</u> (2012) stipulates stipulates a standard VAT rate of 21%. A reduced rate of VAT at 12% shall be applied to supply of school literature and original literature issued in the form of printed publication or electronic publication (literary works – fiction, children's literature, scientific and popular science literature, reference literature, religious literature, literary memoirs – and their translation), except supply of the above-mentioned literature online or by downloading it. Reduced rate of tax shall be applied to accommodation services in tourist accommodation as well.

VAT is not imposed on the following cultural services: theatre and circus performances, concerts, events intended for children, events of amateur art groups and events intended for charity purposes, visits to State recognised museums, libraries, exhibitions, zoological gardens and botanical gardens and cultural and cultural education measures organised by such institutions, services of provision of public access to and use of the information present in the library collection; the royalty received by the author for his work and use thereof, as well as the consideration received by the performer and phonogram producer for the subject of related rights and use thereof.

There have been several changes in the law in recent years due to the economic crisis. In 2009 VAT was increased by 3 percentage points from 18% to 21% and in 2011 – from 21 to 22%. Until 2009, the reduced VAT rate was 5% and until 2011 - 10%. Changes impact-

ed also on the cultural industries as VAT was increased for several sectors. Significant changes concerning performing art events are planned in the near future.

Artists Arrangement

The *Law on Personal Income Tax* (1994) determines income tax levels. The tax is imposed on income acquired by a natural person. The general rate is 23%. Until 2013, it was 25%. The law stipulates that income tax of 23% (until 2010, it was a reduced rate of 15%) is imposed on the income generated from authors' royalties.

Cabinet Regulation Number 899 on *Procedures for the Application of the Norms of the Law On Personal Income Tax* (by the *Law on Personal Income Tax*) stipulates that a taxpayer has the right to deduct from the amount of author's fees (royalty) the expenditures of the author of scientific, literary and artistic works, discoveries, inventions and industrial models related to the creation, publication, performance or other utilisation of the works in the following amount:

- 40% from the amount of the author's fee (royalty) for the creation and publication of musical works and for the creation of sculptures, monumental decorative paintings, decorative and design art, easel painting, theatrical set-design art and various graphic art techniques;
- 30% from the amount of the author's fee (royalty) for the creation of artistic graphics and photographs for printing and exhibitions, as well as for the creation of computer graphics and video works; and for discoveries, inventions and the creation of industrial models (from the royalty for the utilisation thereof during the first 2 years);
- 25% from the amount of the author's fee (royalty) for other musical works;
- 20% from the amount of the author's fee (royalty) for the creation of architectural designs; for the creation of a draft design; and
- 15% from the sum of the author's fee (royalty) for the creation of other works.

The *Law on State Social Insurance* (1998) determines the status of self-employed people, who earn their income by individual work (includes those who receive royalties – copyright or neighbouring rights remuneration). In 2016, the total rate of social insurance payable is 34.09%: 23.59% by the employer and 10.50% by the employee. Regulations of the Council of Ministers each year determine rates and the minimum amount of social insurance payments for self-employed persons. In 2016, the rate for self-employed persons was 30.58%.

The social security system has no special provisions for freelance or self-employed artists to pay their social security fees.

Enterprises

The <u>Law on Enterprise Income Tax</u> (1995) stipulates that the tax is 15% of taxable income. The tax shall not be imposed on Public organisations and Associations with a non-profit aim.

The expenses not directly related to economic activity are deducted from the tax. It includes social infrastructure facilities, such as educational, cultural, sports etc. institutions, the services of which are provided and rent is determined by prices which are lower than market prices, or free of charge.

In determining taxable income, the profit of a taxpayer shall be decreased by expenditures for the production of the mandatory copy, which in accordance with the Mandatory Copy Law, is supplied to the National Library of Latvia.

The <u>Micro-enterprise Tax Law</u> (2010) stipulates the tax rate of micro-enterprises (an individual merchant, an individual undertaking, a farm or fishing enterprise, as well as a natu-

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ral person registered as a performer of economic activity whose turnover does not exceed 100 000 EUR in a year and the number of employees does not exceed five at any time). The micro-enterprise tax rate for turnover of a micro-enterprise in the amount of from 7000.1 up to 100 000 euros shall be: in 2015 - 11%; in 2016 - 13%, starting with 2017 - 15%.

Donations

The <u>Law on Enterprise Income Tax</u> (1995) provides a Tax Rebate for Donors. Tax shall be reduced by 85 per cent of amounts donated to budget institutions, the state capital companies, which perform the state culture functions delegated by the Ministry of Culture, as well as societies and foundations registered in the Republic of Latvia, and religious organisations or the institutions thereof, to which the public benefit organisation status has been granted in accordance with the *Public Benefit Organisations Law*.

The total tax rebate in accordance with the provisions of this Section may not exceed 20 per cent of the total amount of tax.

The <u>Public Benefit Organisation Law</u> (2004) defines what is public benefit activity: it is an activity that provides a significant benefit to society or a part thereof, especially if it is directed towards charitable activities, protection of civil rights and human rights, development of civil society, education, science, culture and promotion of health and disease prophylaxis, support for sports, environmental protection, provision of assistance in cases of catastrophes and extraordinary situations, and raising the social welfare of society, especially for low-income and socially disadvantaged person groups.

Public benefit organisations have the right to receive tax rebates specified by law, and they shall have other rights specified by law.

5.1.6 Labour laws

- <u>Labour Law (2002)</u>, see chapter 5.1.4;
- *Labour Protection Law* (2002);
- Law on Trade Unions (2014); and
- *Law on State Social Insurance* (1998), see chapter 5.1.5.

5.1.7 Copyright provisions

<u>Constitution of the Republic of Latvia</u> states that "The State shall recognise the freedom of scientific research, artistic and other creative activity, and shall protect copyright and patent rights".

The <u>Copyright Law</u> was adopted in 2000 and replaces the law that was adopted in 1993 On Copyright and Neighbouring Rights and it is fully harmonised with the EU acquis communataire.

The Criminal Law (1999) in section 148 defines the applicable sentence for the infringement of Copyright and Neighbouring Rights. Also, the *Latvian Administrative Violations* <u>*Code*</u> section 155.8, sets the fines for unlawful acts in copyright and neighbouring rights.

The Law on Film (2010) defines the distribution and protection of audiovisual heritage.

Latvia is a member of several international treaties and the regulatory enactments of Latvia encompass legal provisions arising from the EU directives. See more at <u>the Ministry of Culture</u>.

5.1.8 Data protection laws

The <u>Data State Inspectorate</u> is responsible for the implementation of the data protection legislation:

- *Electronic Documents Law* (2003); and
- <u>Personal Data Protection Law</u> (2000).

5.1.9 Languages laws

Official Language Law (2000) and see also chapter 4.2.5.

See chapter 4.2.6 about language provision in the new *Electronic Mass Media Law* (2010).

5.1.10 Other areas of general legislation

Law on Voluntary Work was adopted in 2015 and it aims at encouraging society members to take part in voluntary work.

5.2 Legislation on culture

Latvia has introduced the following laws in the cultural sector:

1) Laws setting out cultural policy frameworks

- Law on Cultural Institutions (1998);
- <u>Copyright Law (2000);</u>
- *Law on Libraries* (1998);
- *Law on Museums* (2006);
- *Law on Archives* (2011);
- Law on the Protection of Cultural Monuments (1992); and
- Law on Film (2010).

The aim of the *Law on Cultural Institutions* is to define the types of culture institutions in Latvia, sources of funding for these institutions and their economic activities, and state guarantees for the functioning of culture institutions. It sets out general cultural policy frameworks. General settings are defined also in the laws concerning particular art fields, such as *the Law on Libraries* and *the Law on Museums*. In 2010, *the Law on Film* was finally adopted.

A new *Law on Archives* came into force in 2011. It was followed by a major reform in the administration of public archives (see chapter 4.2.2).

Draft *Law on Intangible Cultural Heritage* has been elaborated in 2015 by the Ministry of Culture and is handed to the Parliament.

2) Laws establishing the operations, governing structures and procedures for financing cultural institutions (see also chapter 7.3)

- Law on the Realisation of the National Library (2003);
- Law on Latvian National Opera (2002);
- <u>Legal Deposit Law</u> (2006)
- Law on the National Library of Latvia (adopted in 1992, came into force 1993);
- Law on the Preservation and Protection of Riga's Historical Centre (2003); and
- Law on the Song and Dance Celebration (2005).
- **3)** Laws providing financing (see also chapter 5.1.3)

- *Law on the State Culture Capital Foundation* (adopted in 2003, came into force in 2004); and
- Law on the Service Pension of State and Local Government Professional Orchestra, Choir, Concert Organisation, Theatre and Circus Artists (2004, came into force in 2005).

5.3 Sector specific legislation

5.3.1 Visual and applied arts

There are no specific laws for visual and applied arts.

5.3.2 Performing arts

- *Law on Latvian National Opera* (2002); and
- <u>Law on the Service Pension of State and Local Government Professional Orchestra,</u> <u>Choir, Concert Organisation, Theatre and Circus Artists</u> (2004, came into force in 2005).

5.3.3 Cultural heritage

- *Law on Archives* (adopted in 2010, came into force in 2011), see chapter 5.2;
- *Law on Museums* (2006);
- Law on the Protection of Cultural Monuments (1992);
- Law on the Museum of Occupation of Latvia (2006);
- Law on Dome Church and Monastery Ensemble (2005); and
- *Law on the Song and Dance Celebration* (2005).

See also chapter 7.3.

5.3.4 Literature and libraries

- *Law on Libraries* (1998);
- Law on the Realisation of the National Library (2003); and
- Law on the National Library of Latvia (adopted 1992, came into force 1993).

5.3.5 Architecture and spatial planning

A Law on Architecture is in the preparation stage.

5.3.6 Film, video and photography

The *Law on Film* was adopted in 2010 and sets out general administrative regulations, such as registration of film producers, classification, protection of audiovisual heritage etc. It also sets general guidelines for public funding distribution.

5.3.7 Mass media

Activities of the Press in Latvia are regulated according to the <u>Law on Press and Other</u> <u>Mass Media</u> (1991).

The new *Electronic Mass Media Law* was adopted in 2010. The previous *Law on Radio and Television* (1995) was outdated and not in accordance with the EU Audiovisual Media Services Directive (see also chapter 4.2.6).

In 2012, a working group has been established by the National Electronic Mass Media Council to elaborate amendments to these laws. The main problems are discussed in *the National Strategy of Electronic Mass Media 2012-2017* (adopted in 2012).

5.3.8 Other areas of culture specific legislation

Table 6: List of cultural legislation, Latvia

Title of the Act	Year of adoption (came into force)
Law on Cultural Institutions	1998
Copyright Law	2000
Law on Libraries	1998
Law on Museums	2006
Law on Archives	2011
Law on the Protection of Cultural Monuments	1992
Law on Film	2010
Law on the Realisation of the National Library	2003
Law on Latvian National Opera	2002
Law on Obligatory Deposit of Printed and other Publications	1997
Legal Deposit Law	2006
Law on the National Library of Latvia	1992/1993
Law on the Preservation and Protection of Riga's	2003
Historical Centre	
Law on the Song and Dance Celebration	2005
Law on the State Cultural Capital Foundation	2003/2004
Law on the Service Pension of State and Local Gov-	2004/2005
ernment Professional Orchestras, Choirs, Concert	
Organisations, Theatre and Circus Artists and the	
Allowance for Creative Work of Ballet Artists	
Law on the Museum of Occupation of Latvia	2006
Law on the Dome Church and Monastery Ensemble	2005
Electronic Mass Media Law	2010
Law on Press and Other Mass Media	1991
Draft Bills	
Law on Architecture	Guidelines on architecture policy
	2009-2015 (2009) envisage that the
	Law on Architecture has to be elabo-
	rated and adopted by the end of 2015
Law on Intangible Cultural Heritage	Handed to Parliament
Law on the Status of Creative Persons and Profes-	In the development process
sional Creative Organizations	

6. Financing of culture

6.1 Short overview

See chapter 6.2.1, chapter 6.2.2 and chapter 6.2.3.

Latvia's economy experienced GDP growth of more than 10% per year during 2006–2007, but entered a severe recession in 2008 as a result of an unsustainable current account deficit and large debt exposure. Triggered by the collapse of the second largest bank, GDP plunged by almost 18% in 2009 and the European Union, the International Monetary Fund, and other international donors provided substantial financial assistance to Latvia as part of an agreement to defend the currency's peg to the Euro in exchange for the government's commitment to stringent austerity measures. During the crisis, GDP decreased by 1/4, the external debt almost doubled the number of employed people decreased by 16%, the real wages of employed people decreased by about 12%. The IMF / EU programme successfully concluded in December 2011. As indicated in the report of the Ministry of Economics on the development of the national economics of Latvia in 2015, since the end of 2010 the economic downturn in Latvia has been stopped and growth has resumed. From 2011 to 2013, GDP increased on average by 4.4% every year being one of the most rapid growth in EU. Although in recent years, economy of Latvia is growing, GDP is still about 7.5% lower than before the crisis in 2007.

The Euro was introduced in Latvia on 1 January 2014.

Over the last three years expenditure of general government for cultural services make approximately 3.2% – it is approximately 1.2% of GDP. Expenditure of general government for cultural services amounted to 283.1 million EUR in 2014, and over the last five years it has increased every year.

Figure 2: Expenditure of General Government for Cultural Services, mln EUR, 2007-2014



Source: Central Statistical Bureau of Latvia.



Figure 3: The Budget of the Ministry of Culture, mln EUR, 2005-2016

Source: Central Statistical Bureau of Latvia.

In 2009, there was a dramatic drop in public financing for culture. It was followed by an even deeper crisis in 2010 when the budget of the Ministry of Culture was reduced by 32% if compared to 2008 (expenditure of general government for recreation, culture and religion – by 34%). The majority of cultural operators were concerned with the critical reduction of the budget for the State Culture Capital Foundation – the grant-giving body to secure the diversity of cultural activities all over Latvia. In 2010, its budget was reduced to 3 million EUR which was 72% less than in 2008 (see chapter 2.1).

In 2011, the budget of the Ministry of Culture was increased due to the additional funding for the construction of the National Library. A significant construction project – the building of the Latvian National Library was started in 2008 and finished in 2014. Over the last three years, the budget of the Ministry of Culture has not changed significantly.

6.2 Public cultural expenditure

6.2.1 Aggregated indicators

Public total culture expenditure in 2014 was 283,1 mln EUR. It corresponds to 141.45 EUR per capita and 1.2% of gross domestic product. After the decline in 2008-2010 total expenditure on culture in the public sector has increased every year. Although during the last three years expenditure for cultural services has increased in the total public expenditure (from 2.5% to 3.2%), its share in GDP has not changed substantially and over the last eight years it is 1.1% -1.2% of GDP.

	Total ex- penditure	Per capita	% of total expenditure	% of gross domestic product
2007	241 200 000	109,20	3,2	1,1
2008	278 200 000	126,93	3,1	1,1
2009	219 800 000	101,63	2,7	1,2

 Table 7:
 Expenditure of General Government for cultural services, 2007-2014

2010	198 300 000	93,52	2,5	1,1
2011	201 300 000	97,03	2,5	1,0
2012	238 700 000	116,73	3,0	1,1
2013	269 700 000	133,26	3,2	1,2
2014	283 100 000	141,45	3,2	1,2
a	G . 1 G 11	D 01		

Source: Central Statistical Bureau of Latvia.

6.2.2 Public cultural expenditure broken down by level of government

In general, there is a tendency to give over more cultural functions to municipalities; meanwhile municipal budgets have been reduced. Estimates show that the share of municipal expenditure for culture has increased: in 2007, the expenditure of municipalities amounted to 44% of the total public expenditure, while in 2011 the share of local spending for culture increased to 58%, during last two years share is stable at 53%.

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Figure 4: Expenditure of general government for cultural services: central government, local government, in million EUR, 2007-2014



Source: Central Statistical Bureau of Latvia.

Table 8:Public cultural (cultural services) expenditure: by level of government, in
million EUR, 2014

Level of government	Total expenditure	% share of total
State (federal)	133.7	46.7%
Regional (provincial, Länder)		
Local (municipal)	152.3	53.3%
TOTAL	286.0	100%

Source: Central Statistical Bureau of Latvia.

6.2.3 Sector breakdown

Expenditure of general government for cultural services by sectoral breakdown has not been summarised in Latvia. Approximate breakdown is available in the study on funding allocation to cultural sectors by the State Culture Capital Foundation done in 2015 [http://www.vkkf.lv/#2727]. The authors of the study asked the Ministry of Culture to split its budget by cultural sectors defined by the State Culture Capital Foundation. The Ministry

could split 68.6 mln EUR from its total expenditures (130.1 mln EUR) to particular cultural sectors.



Figure 5: Expenditures of Ministry of Culture by sectors, % from total*, 2014

The literature industry received 13% of the funding, or 9 million EUR. Most of this funding (8,4 million EUR) was allocated to libraries, but the rest – to the International Writers' and Translators' House (in Ventspils). The music industry received 24% of the funding of the Ministry of Culture, or 16,8 million EUR. More than half of this funding received the Latvian National Opera and Ballet (8,6 million EUR), it may also be classified as funding for the dance industry that received separately almost 9 thousand EUR from the Ministry of Culture (or 0,01% of the total funding). Film art received 6% of the funding (4 million EUR), but theatres – 12% (8,3 million EUR). Most of the funding of the Ministry of Culture (37%) was earmarked for the preservation of cultural heritage. From this funding museums received 15,3 million EUR, archives – 5,8 million EUR, cultural monuments – 2,8 million EUR, but 2,2 million EUR were allocated for other purposes. Each sector – design and architecture, visual arts and traditional cultural sectors, as well as inter-disciplinary projects received one percent of the funding of the Ministry of Culture. Finally, 4% of the funding of the Ministry of Culture was not possible to split by sectors.

In addition to funding by sectoral breakdown, the Ministry of Culture also allocate funding to cultural education, and in 2014, 38,8 million EUR were allocated to cultural education. From this funding 21,2 million EUR were allocated to music education, but 10,1 million EUR – art education. While 7,5 million EUR of the cultural education could not be split by sectors.

For other objectives not related to the cultural sectoral breakdown, the Ministry granted earmarked subsidies for amateur art (chief conductor) in amount of 174 thousand EUR and funding for cultural media in amount of 71 thousand EUR.

Data for years 2013 and 2014 shows that the local government budget expenditures for culture has been less than 150 million EUR per year, which make slightly more than 6% of the total local government basic budget expenditure. In local government budgets, expenditure for cultural education are classified as educational expenditure, and a part of cultural expenditure is regarded as recreation and religion expenditures. Therefore, the real cultural expenditure is slightly larger. While tourism promotion and recreation expenses are regarded as cultural expenses that slightly reduce true cultural expenditure.

6.3 Trends and indicators for private cultural financing

Precise and specific data about private sector funding for culture are not available, but it is known that a very substantial part of the financing of the culture field is made by patronage. The biggest cultural patron is the Boris and Inara Teterev Foundation. Important patrons in culture field are also – the ABLV Charitable Foundation, ALFOR Ltd., Rietumu Bank, Olainfarm Ltd. See chapter 7.3.

7. Public institutions in cultural infrastructure

7.1 Cultural infrastructure: tendencies & strategies

The Cabinet Regulations "Procedure by which direct administration conclude and publish collaboration contracts, as well as allocate financing of the state budget to private persons for carrying out tasks of public administration and monitor the use of granted financing" was adopted in 2014. According to the State Administration Structure Law and these regulations, public authorities may authorise private individuals to perform tasks of public administration, by concluding a delegation contract or collaboration agreement. In 2014, the Ministry of Culture had concluded 5 delegation contracts with the planning regions and 1 - with Daugavpils City institution "Daugavpils Mark Rothko Arts Centre", as well as 3 collaboration agreements with regional concert halls for ensuring accessibility of professional art. In 2015, the total number of delegation and collaboration contracts had already exceeded 30. A majority of these agreements are concluded with associations and NGOs working in the contemporary culture and arts field.

7.2 Basic data about selected public institutions in the cultural sector

Domain	Cultural institutions	Number (2009)	Number (2011)	Number (2014)
	(subdomains)	· · · · · · · · · · · · · · · · · · ·	()	
Cultural	Cultural heritage sites	8 532	8 556	8765
heritage	(recognised)			
	Museums (organisa- tions)	127	107	112
	Archives (of public au- thorities)	15	1/11	1/11
Visual arts	public art galleries / ex- hibition halls	NA	NA	NA
	Art academies (or uni- versities)	1	1	1
Per- forming arts	Symphonic orchestras	2	2	2
	Music schools	69 music schools + 48 music and art schools	56 music schools + 52 music and art schools	NA
	Dance schools	2	2	NA
	Music / theatre acade- mies (or universities)	2	2	2
	Dramatic theatre	8	8	8
	Music theatres, opera houses	1	1	1
	Dance and ballet com- panies (included in the National Opera)	1	1	1
Books	Libraries	848	819	811

Table 9:	Cultural institut	tions by domain.	2009-2014
	Cultural montu	uons by uomani	<i>2007-2014</i>

	-	•		
and Li-				
braries				
Audio-	Broadcasting organisa-			
visual	tions			
	TV broadcasting organi-	25	17	18*
	sations			
	Radio broadcasting or-	43	37	36*
	ganisations			
Interdis-	Socio-cultural centres /	535	542	559
ciplinary	cultural houses			
Other	Art schools	42	35	NA
(please				
explain)				
	Art, music and dance			153
	schools on elementary			
	school level			
	Art, music, design and			34
	dance schools on sec-			
	ondary school level			
	Circus	1	1	1

Sources: LR Ministry of Culture, Central Statistical Bureau of Latvia, the National Archives of Latvia, the State Inspection for Heritage Protection.

* Data available from 2013.

See <u>Baltic Films: Facts and Figures</u> about film industries in Baltic States.

7.3 Status and partnerships of public cultural institutions

The *Law on Cultural Institutions* has been in effect since 1998. It defines the type of Latvian cultural institutions (state, local government, private), their legal status, commercial activities, and funding sources.

In 2004/2005, there was ongoing major reform of the legal status of all state museums. In accordance with the *Law on Public Agencies*, museums were reorganised into state agencies to provide them with more financial and administrative independence.

In 2009, the government requested all Ministries to decrease the number of state agencies by 50%, with the aim of reducing administrative expenditure. The Ministry of Culture had the largest number of state agencies under its supervision (including museums) -17. As a result of the reform, there will be only 10 state agencies in the cultural field in 2011. Several museums were consolidated; some state agencies previously operating at arm's length lost their autonomy (e.g. National Film Centre, The State Authority on Museums are to be transformed into budget institutions or incorporated into the structure of the Ministry). See also chapter 2.1.

In 2015 18 educational institutions, 2 libraries, 8 museums, 4 state agencies, and 1 public foundation were subordinated to the Ministry of Culture.

In 2005, the legal status of the six state-founded theatres, Circus of Riga and three important state music institutions was changed in to State Ltd. Companies. In 2015, the Ministry of Culture was the holder of capital shares in 16 institutions (capital companies). See also chapter 4.2.1.

See also chapter 5.1.3 on the legal status changes to the State Culture Capital Foundation.

Foundations and artistic associations established in the 1990s, have already initiated collaboration between organisations in certain professional art sectors, e.g. in visual arts, music, and theatre, resulting in combined funding sources from public, local government, and the private sector. In 2008, a private sponsor in collaboration with the Latvian National Museum of Art launched a prize in visual arts named after the famous Latvian painter Vilhelms Purvītis.

The management of cultural heritage sites often is carried out involving private owners (see chapter 4.2.8).

On 30 October 2014, the Latvian Ministry of Culture and the Foundation of the Latvian Museum of Contemporary Art signed a memorandum of intent regarding the building and development of the Latvian Museum of Contemporary Art. It was signed on the basis of the successful long-term collaboration between the Ministry of Culture, the ABLV Charitable Foundation and the Boris and Inara Teterev Foundation, as notable benefactors in the realm of Latvian contemporary art, and ABLV Bank as the principal supporter of the formation of the Museum of Contemporary Art's collection. (see chapter 4.1.) ABLV Charitable Foundation and the Boris and Inara Teterev Foundation are major private cultural donors – a large part of the cultural activities happen thanks to these private patrons.

The poorly developed public and private partnership, as well as underdeveloped patronage traditions are two of the main weaknesses of the cultural sector identified in the Cultural Policy Guidelines 2014-2020 Creative Latvia adopted in 2014. It is intended to develop them in the framework of the implementation of the guidelines defining the attraction of private capital as one of the fundamental preconditions for the development of the cultural sector (in the way of public private partnership, patronage and other solutions to raise private capital).

8. Promoting creativity and participation

8.1 Support to artists and other creative workers

8.1.1 Overview of strategies, programmes and direct or indirect forms of support

The financing of creative activities has substantially improved since 1998, when the Culture Capital Foundation was established (see chapter 2.1).

Members of the creative industries are entitled to receive a certain share of their royalties resulting from the creation, publishing, performance or other artistic activities tax-free; the share of which varies depending on the artwork (15-40%). (See also chapter 5.1.5).

There is no specific law determining the status or social guaranties of creative persons. The Council of the Creative Unions of Latvia has initiated the debate and the development of legislation concerning social security of freelance artists. A public debate took place in January 2012. As a follow up, the Ministry of Culture established a working group. In 2015 the drafting of the law was completed and its harmonisation and adoption process was started. The aim of the law is to provide support to creative persons who by reason of the specific employment nature do not receive regular income or are experiencing temporary loss of capacity to work (long-term unemployment or illness). Assistance will be provided directly to so-called freelance artists or creative persons who are not employed by an employer, but receive a payment on the basis of the author contract. The law will be applicable to about 4000 persons in 28 creative organisations.

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8.1.2 Special artists' funds

<u>The State Cultural Capital Foundation</u> supports the creative work of artists by providing "creative scholarships" and "educational grants", as well as by Creative Travel Support Programme. Creative Travel Support Programme supports applications for trips where the applicant as a participant takes part in the short-term scientific, creative work or training programmes, in conferences, festivals and competitions related to culture field, if a personal invitation or accreditation have been received. Educational and creative scholarships are

granted for obtaining education and raising professional growth, for implementation of innovative and research projects, as well as for development of international relations promoting Latvian culture and art worldwide. Creative scholarships are exempt from tax.

In 2004, a <u>Law On the Service Pension of State and Local Government Professional Or-</u> chestra, Choir, Concert Organisation, Theatre and Circus Artists and the Allowance for <u>Creative Work of Ballet Artists</u> was adopted, which provides security for performing artists when they retire (see chapter 5.1.4).

The State Culture Capital Foundation assigns lifetime grants to outstanding culture and art people for lifetime contribution to the development of culture and arts. The lifetime grant is paid each month in addition to the pension and other income and are not taxed. It is paid by the State Culture Capital Foundation from the financial resources envisaged in its budget. The grant is assigned within a tender announced once a year. At the end of 2014, the Foundation paid lifetime grants to 250 grant holders, spending 6.73% of the total budget of the Foundation.

8.1.3 Grants, awards, scholarships

The main public grants and awards currently available to Latvian artists are listed below.

- the State Cultural Capital Foundation gives project grants in 8 different branches (see also chapter 2.1);
- at municipal level, support for professional artistic development is modest and irregular, yet provides some support for both individual and joint projects. However, gradually more and more regional and city municipalities announce regular project competitions and give support to different spheres of professional artistic activity (e.g. Riga, Ventspils, Cesis, Liepaja etc.); and
- in 2006 the Limited Company <u>International Writers' and Translators' House</u> was opened in Ventspils, on the basis of an agreement between the Municipality of Ventspils, the Ministry of Culture and the Latvian Literature Centre (in 2007, awarded grants totalled LVL 13 625 (EUR 19 464) for national and international residents).
- In 2014, after the invitation of minister of culture, and the initiative of the Creative Unions Council of Latvia and with the support of the National Board of Culture, the Excellence Award in Culture was introduced. The awarding of the prize aims to express national appreciation for outstanding international achievements in the culture field. Every year not more than three prizes in culture may be granted, each are 7000 EUR large, after tax payments.

The following grants are available from international and national private organisations for individual artists in Latvia:

- since 2009, Baltic countries participate in the Nordic-Baltic Mobility Programme in the field of Culture.
- scholarships are provided by banks or other institutions. Many private foundations support artists, musicians or writers and award their own grants and prizes.

There are annual awards, initiated by the unions of the respective branches and partly financed by the State Cultural Capital Foundation and private sponsors, in almost all the cultural branches, some of which include money prizes: the Grand Music Award, the National Film Festival, the Award for Achievements in Professional Theatre, the *Purvīša Balva* (a prize in visual arts), Literature Award, Cultural Heritage Award, The Folklore Award, Book Publishers Award, Architecture Award etc. In 2005 a new award was established by the <u>Latvian Art Directors Club</u>.

8.1.4 Support to professional artists associations or unions

The creative unions in Latvia, such as the Union of Artists and the Union of Writers, receive very little direct financial support from the Ministry of Culture. They also receive project grants in the competitions of the State Culture Capital Foundation.

8.2 Cultural consumption and participation

8.2.1 Trends and figures

Since 1990, there has been a drastic decline in the number of people participating in cultural life; consumption of culture and arts activities decreased in all fields. Over the last 25 years the number of cinema admissions at cinemas and culture houses has decreased the most significantly (decreased by 88%), number of copies of books and brochures (-86%), annual circulation of newspapers (-84%). Also attendance of theatre performances has decreased by more than 1/3, and about 1/5 – attendance of museums.

There is a certain correlation between the decrease in the number of infrastructure and the consumption of and participation in cultural activities, for example - as the cinema infrastructure collapsed and respectively the number of cinema audiences was sharply reduced.

Data shows a general stabilisation and improvement in participation levels starting from the end of the 1990s. In 2007-2008, the highest attendance rate at cultural events occurred. A decline starts along with the economic crisis in 2009. Also in the last five years cultural infrastructure and cultural consumption show a declining trend. There is a slight increase in number of visitors of libraries, visits of museums, theatre and cinema.

	1990	1995	2000	2005	2010	2014	Per 1000 in- habitants (2014)
Books and brochures, num- ber of titles	1564	1968	2546	2371	2035	2177	1,1
Books and brochures, num- ber of copies, mlns	20,8	9,5	7	4,8	3,3	3	0,001
Magazines and other period- icals, number of titles	243	235	325	366	368	318	0,2
Magazines and other period- icals, annual circulation, mln copies	68,3	15,3	24,7	45	39,8	33,5	0,02
Newspapers, number of titles	172	286	227	261	197	254	0,1
Newspapers, annual circula- tion, mln copies	476	223	181	206	117	78	0,04
TV broadcasting companies: total number				22	19	18^	0,01
TV broadcasting companies: total length of programmes (hours)				53741	65401	101214^	50,6
Radio broadcasting compa- nies: total number				28	42	36^	0,02
Radio broadcasting compa- nies: total length of pro- grammes (hours)				297173	386923	385110^	192,4

 Table 10:
 Cultural consumption statistics: infrastructure and activities, 1990-2014

		Latvi	a				
Culture centres, number	891	608	546	547	538	559	0,3
Amateur performing units in culture centres, number	6623	3202	3539	3685	3277	3187	1,6
Number of amateur perform- ing unit participants in cul- ture centres, thsd	121,9	58	63,4	63,4	56,6	53	0,03
Number of amateur perform- ing units not connected with culture centres				560	542	550	0,3
Number of amateur perform- ing unit participants not con- nected with culture centres, thsd				11,4	12	11,4	0,01
Full-length films		4	4	13	16	21	0,01
Short-length films		17	21	31	29	31	0,02
Number of cinemas	90	52	30	17	17	15	0,01
Number of admissions (cin- emas and culture houses), thsd	19748	1020	1457	1667	2106	2311	1,2
Number of theatres	10	10	9	9	9	9	0,004
Number of theatre perfor- mances	3678	2644	2435	2786	3020	3289	1,6
Attendance of theatre per- formances, thsd	1559	659	757	760	843	964	0,5
Number of museums (includ- ing branches)	93	95	133	130	120	112	0,1
Attendance of museums, thsd	3888	1319	1480	2070	2419	2971	1,5
Libraries				2071	1831	1749	0,9
Users of libraries				108755 4	110287 5	121043 5	604,8

Latvia

Source: Central Statistical Bureau of Latvia.

Note: Data from 2013.

In 2014, the society "Culturelab" carried out the research project "A Study of Cultural Consumption and Audiences of Cultural Activities", which was implemented with the financial support of the State Culture Capital Foundation. The cultural consumption data for the time period from 2007 to 2014 was analysed in detail and the major development trends were defined within the study. By analysing statistical data, it was concluded that during the period from 2007 to 2013 the number of population in Latvia as a whole decreased by 8% or 185 015 persons, thus lessening the potential audience of cultural events and activities. At the same time, not all cultural areas have experienced a significant reduction in activities and several areas are experiencing even a remarkable increase. The readership at the National Library of Latvia has grown most significantly - the total rise is up 315%, increasing the number of readers from 81 363 in 2007 to 256 189 persons in 2013. The total duration of radio broadcasting programmes (in hours) has increased by about 1/5. Similarly, the number of visits to theatres has grown (+16%), increasing from 860 000 to 994 000 during the corresponding period. The activity has risen by about 1/10 in several other areas too - number of artistic amateur groups outside cultural centres, number of readers in libraries, visits at museums, as well as number of performances in theatres and the total duration in hours of TV broadcasters' shows have increased. It should be emphasised that, despite the increasing offer and availability of electronic mass media content,

population habits and desire to attend theatres, museums and cinemas have not abated but have even slightly increased.

At the same time, there is a significant drop in certain cultural activities. The most significant fall has hit the annual print run of newspapers in Latvian (-47%) along with books and brochures in Latvian (-38%). Also the number of feature films and full-length animated cartoons has decreased (-33%, although in absolute numbers it makes up only 2 films, dropping from 6 to 4 movies). Similarly, the annual print run of magazines and other periodicals in Latvian has decreased by 1/5, but by about 1/4 - the number of TV broadcasters and documentaries and popular science full-length films (in absolute numbers the drop from 5 to 4 films) and the number of books and brochures in Latvian. The number of museums and artistic amateur groups in cultural centres has dropped by about 10%.

Cultural activities with no major changes over years 2007-2013 are as follows - the number of cultural centres, the number of movie showtimes visits, the number of theatres and cinemas, as well as the number of newspapers in Latvian.

Figure 6: Cultural activity in Latvia 2007-2013 (sorted in order from the largest growth to the largest reduction in percentage (%)

The number of population in Latvia	-8	
Readers at the National Library of Latvia		31
Total duration, hours of radio breadcasting programmes		18
Number of visits to theatres, thousands		16
Number of artistic amateur collectives unrelated to cultural centres		13
Readers at libraries		13
Number of visits to museums, thousands		11
Number of performances in theatres		10
Total duration/ hours of TV broadcasters' shows		10
Number of participants of artistic amateur collectives unrelated to cultural centres, thousands		8
Number of radio broadcasters		6
Number of cultural centres		3
Number of cinema visits (in cinemas, cultural and community centres), thousands		1
Number of theatres		0
Number of cinemas		0
Number of newspapers in Latvian	-1	
Number of public libraries	-6	
Number of participants of artistic amateur collectives in cultural centres, thousands	-7	
Number of artistic amateur collectives in cultural centres	-10	
Number of museums (including branches)	-13	
Number of magazines and other periodicals in Latvian (including periodically issued collection of articles and bulletins)	-16	
Number of books and brochures in Latvian	-19	
TV broadcasters and documentaries and popular science full-length films	-20	
Number of TV broadcasts	-22	
Annual print run of magazines and other periodicals in Latvian, million copies	-24	
Feature films and full-length animated cartoons	-33	
Annual print run of books and brochures in Latvian, million copies	-38	
Annual print run of newspapers in Latvian, million copies	-47	

Table 11:	Cultural activity in Latvia 2007-2013 (sorted in order from the largest
	growth to the largest reduction (in percentage))

	2007	2013	2013/2007
The number of population in Latvia	2 208 840	2 023 825	-185 015
Readers at the National Library of Latvia	81 363	337 552	256 189
Total duration, hours of radio broadcasting programmes	326 325	385 110	58 785
Number of visits to theatres, thousands	860	994	134
Number of artistic amateur groups unrelated to cultural centres	489	554	65
Readers at libraries	1 036 033	1 168 973	132 940
Number of visits to museums, thousands	2 404	2 658	254
,	-		
Number of performances in theatres	3 010	3 326	316
Total duration/ hours of TV broadcasters' shows	91 639	101 214	9 575
Number of participants of artistic amateur groups unrelated to cultural centres, thousands	11	12	1
Number of radio broadcasters	34	36	2
Number of cultural centres	541	559	18
Number of cinema visits (in cinemas, cultural and community centres), thousands	2 363	2 378	15
Number of theatres	9	9	0
Number of cinemas	14	14	0
Number of newspapers in Latvian	193	191	-2
Number of public libraries	864	811	-53
Number of participants of artistic amateur groups in cultural centres, thousands	60	56	-4
Number of artistic amateur groups in cultural centres	3 599	3 252	-347
Number of museums (including branches)	127	111	-16
Number of magazines and other periodicals in Latvian (including periodically issued collec- tion of articles and bulletins)	286	240	-46
Number of books and brochures in Latvian	2 366	1 910	-456
TV broadcasters and documentaries and popular science full-length films	5	4	-1
Number of TV broadcasts	23	18	-5
Annual print run of magazines and other periodicals in Latvian, million copies	46	35	-11
Feature films and full-length animated cartoons	6	4	-2
Annual print run of books and brochures in Latvian, million copies	5	3	-2
Annual print run of newspapers in Latvian, million copies	125	66	-59

Source: Central Statistical Bureau.

If statistics allow evaluating the quantitative cultural consumption, the sociological survey data allows analysing how large a part of society is active in cultural consumption and participation. In the questionnaire of the mentioned study 25 different cultural and recreational activities were included to analyse the cultural consumption. In 2014, 7% of population of Latvia had not participated in any of the activities or events included in the questionnaire. While on average one resident participated in 8,9 of 25 cultural activities during one year time.

The activity, in which the most of the Latvian population have participated in 2014, is the celebration of community or city festival (69%). More than half of the population have been reading books (55%), visited museums (54%) and have travelled in Latvia (53%). Every second resident has attended performances of the local collectives in their city or municipality and has been attending church.

On the other hand, assessment of regularity of activity show that cultural activities, in which population are involved the most (at least once a month), are – reading a book (28% say that read not less than one book a month), library attendance (21%), church attendance (16%), watching TV broadcast "100 g of Culture" (13%) and listening radio broadcast "Culture Rondo" (7%).

Overall, it is observed that most of population of Latvia have attended a cultural event or activity at least once a year, however, the proportion of regular visitors is rather small and does not exceed 1/3 of the total population. Consequently – people are interested and ready to attend, but, for various reasons, do not do that more often.



Figure 7: Regularity of cultural activities in 2014, %

In general, it is observed that during time period of 2007-2014 cultural activity of population has decreased – the proportion of those who have attended events has decreased in most of 25 activity categories included in the questionnaire. Most significantly the proportion decreased of those, who attended balls, where local musicians play (-16%). Similarly, the proportion of people who read books, watch films in the cinema, visit amusement parks has decreased by approximately 10%. While there is increase in the proportion who visit museums (+7%), as well as attend open air events in the city or municipality (+7%).



Figure 8: Changes in attendance of cultural activities 2014/2007, %

Information and data collected, summarized and analysed within the study make it possible to identify a number of significant upward trends in cultural consumption and participation in culture, allowing to draw conclusions about the changes in cultural activities of the population of Latvia over the past seven years and also directly and indirectly points to the necessity of cultural management institutions and specific cultural organizations to pay special attention to strategic (and long-term) development planning to diversify and expand cultural offer and audiences.

Most important conclusions about cultural consumption and participation are as follows:

- Cultural events and activities are visited by many people, but seldom. In total, a large proportion of the population (93%) attend some cultural events at least once a year, but a very small proportion attends cultural events on a regular basis (not more than 5% of the population visit specific cultural events at least once a month).
- Currently less active socio-demographic groups in the cultural consumption are as follows - 55-74 years old people, people with lower income, unemployed, non-citizens, non-Latvians, men, as well as those who live alone.
- Almost in all aspects analysed non-citizens and non-Latvians are identified as relatively less active target groups. Although this conclusion cannot be generalized (since this issue was not analysed in depth in the study), nevertheless it is obvious that during the last seven years a tendency of non-Latvians to engage themselves less in different cultural activities and events has increased. It raises also question if and how culture currently provides a platform for the integration process in society at large.
- Seniors will be a strategically important part of culture audience in the medium and long term. Population decline and population ageing trends suggest to regard the senior

target group as one of the most important groups in society already in the near future, whose role will be crucial for culture and its audience. Eurostat demographic projections anticipate that by 2020 in total the Latvian population will decrease by 7%, by 2030 - about 19%, but by 2050 - 28%. In turn, the proportion of people who are 65 years old will rise from 19% in 2014 to 25% in 2030 and 28% in 2050 (by 2050, the proportion of the population aged 80 years or over will increase more than two times - from 4.7% to 10.5%), while the proportion of under-age persons will not change significantly.

- Personal participation in culture has a positive correlation with more active cultural consumption. Those who are personally involved in cultural activities (sing, dance, participate in amateur theatres, take part in crafts, etc.), have attended on average 10.7 different cultural events during the past year, while those who are not personally involved in any activities only 5 cultural events.
- Increasing welfare would not significantly affect the cultural consumption. Although the financial capacity of the population was identified in the study as the most significant barrier to more frequent cultural consumption (55% of those who would like to visit cultural events more often, specify the financial shortage as the reason why they fail to do so now), it cannot be asserted that the increased economic welfare will necessarily correlate with more active cultural life. When it comes to the survey question about financial resources which respondents would gladly expend in case their family budget was increased, the majority indicates that they would allocate their extra income for traveling to foreign countries (57%) and over Latvia (42%). In turn, every fifth would go to theatre performances, but every fourth to popular music concerts. However, most of those who have given corresponding answers already attend the theater and concerts, while the welfare increase would not significantly activate the currently inactive visitors of cultural events only about one of ten of those who are currently not attending cultural events mention that a larger family budget would encourage them to do so.

The Study "DNB Latvian Barometer 2015" states that 34% of Latvian residents do not spend money on entertainment and 45% do not spend money on culture. 46% residents spend on average not more than 28 EUR a month on entertainment, while such sum is spent a month on cultural activities by 44%.

Statistical data shows that in 2014 household consumption expenditure for recreation and culture made 7.9% of total household expenditures. Over the last fifteen years, the proportion of expenditure for recreation and culture has increased by almost 2%. In 2014 average expenditure per household member for recreation and culture was 23.62 EUR per month – it is about 94% more than ten years ago (12.17 EUR). Expenditure of rural area population for recreation and culture increased more explicitly (from 7.50 EUR to 17.76 EUR or by 137%). Overall, per inhabitant of Latvia spent 283.40 EUR for recreation and culture in 2014.

Table 12:	Household Consumption Expenditure (Detailed) Average Per Household
	Member per Year (euro)

	2005	2010	2014
RECREATION AND CULTURE IN TO- TAL	146,06	213,46	283,40
Audio-visual, photographic and infor- mation processing equipment	39,57	26,89	32,47
.Equipment for the reception, recording and	3,26	0,47	2,07

	Laivia		
reproduction of sound and pictures			
radio sets	0,16		0,11
recorders, CD-players	3,12	0,41	1,96
.TV sets, video recorders	11,20	14,10	9,62
TV-sets	9,04	13,87	9,53
video recorder	2,16	0,23	
.Photographic and cinematographic equip-	5,18	2,42	2,29
ment	5,10		2,29
photo cameras	4,50	2,02	2,06
video cameras, movie cameras	0,67		
.Information processing equipment	15,94	6,80	16,60
personal computers and accessories	15,88	6,73	16,57
computer software packages			
calculators	0,06		
.Recording media	3,34	2,01	0,67
pre-recorded tapes, cassettes, video cas-	1,95	0,90	0,44
settes		·	- , -
unrecorded tapes, video cassettes, compact disks	0,61	0,80	0,18
unexposed films, photographic equipment	0,77	0,33	0,05
.Repair of audio-visual, photographic and information processing equipment	0,65	1,08	1,23
Recreational items and equipment, gar-	26.02	(0.27	00.02
dens and pets	36,92	60,37	89,93
.Card, parlour games	0,30	1,12	1,05
.Toys	5,34	8,44	17,93
.Tools and articles for hobbies	0,41	0,68	1,49
.Equipment for sport, camping and open-air	4,44	3,93	7,43
recreation Cordona plants and flowars	11.02	18.04	22.16
.Gardens, plants and flowers .Pets and related products	11,03	18,04	22,16
.Veterinary and other services for pets	14,30	26,24	35,87
Recreational and cultural services	1,12	1,92	4,00
Recreational and sporting services	31,32 9,82	56,86 16,09	79,53 29,31
* •	1 7 0 4	10.07	∠2,J1
Linemag theatres concerts			
.Cinemas, theatres, concerts	5,86	9,19	20,15
.Museums, exhibitions and the like	5,86 0,64		
.Museums, exhibitions and the like .Hire of equipment and accessories for cul-	5,86	9,19	20,15
.Museums, exhibitions and the like .Hire of equipment and accessories for cul- ture	5,86 0,64 0,23	9,19 1,18	20,15 1,34
.Museums, exhibitions and the like .Hire of equipment and accessories for cul-	5,86 0,64 0,23 12,04	9,19 1,18 27,83	20,15 1,34 25,83
Museums, exhibitions and the like Hire of equipment and accessories for cul- ture Television and radio broadcasting	5,86 0,64 0,23 12,04 1,94	9,19 1,18 27,83 2,25	20,15 1,34 25,83 1,50
.Museums, exhibitions and the like .Hire of equipment and accessories for cul- ture .Television and radio broadcasting .Other services .Games of chance	5,86 0,64 0,23 12,04 1,94 0,78	9,19 1,18 27,83 2,25 0,28	20,15 1,34 25,83 1,50 1,31
.Museums, exhibitions and the like .Hire of equipment and accessories for cul- ture .Television and radio broadcasting .Other services	5,86 0,64 0,23 12,04 1,94	9,19 1,18 27,83 2,25	20,15 1,34 25,83 1,50 1,31 38,81
.Museums, exhibitions and the like .Hire of equipment and accessories for cul- ture .Television and radio broadcasting .Other services .Games of chance Newspapers, books and stationery	5,86 0,64 0,23 12,04 1,94 0,78 28,12 4,87	9,19 1,18 27,83 2,25 0,28 40,35 7,68	20,15 1,34 25,83 1,50 1,31 38,81 10,41
.Museums, exhibitions and the like .Hire of equipment and accessories for cul- ture .Television and radio broadcasting .Other services .Games of chance Newspapers, books and stationery .Books .Scholastic books	5,86 0,64 0,23 12,04 1,94 0,78 28,12 4,87 2,85	9,19 1,18 27,83 2,25 0,28 40,35 7,68 2,48	20,15 1,34 25,83 1,50 1,31 38,81 10,41 0,23
.Museums, exhibitions and the like.Hire of equipment and accessories for culture.Television and radio broadcasting.Other services.Games of chanceNewspapers, books and stationery.Books	5,86 0,64 0,23 12,04 1,94 0,78 28,12 4,87 2,85 6,67	9,19 1,18 27,83 2,25 0,28 40,35 7,68 2,48 9,65	20,15 1,34 25,83 1,50 1,31 38,81 10,41 0,23 9,55
.Museums, exhibitions and the like.Hire of equipment and accessories for cul- ture.Television and radio broadcasting.Other services.Games of chanceNewspapers, books and stationery.Books.Scholastic books.Newspapers and periodicals.Subscription on newspapers and periodicals	5,86 0,64 0,23 12,04 1,94 0,78 28,12 4,87 2,85 6,67 9,16	9,19 1,18 27,83 2,25 0,28 40,35 7,68 2,48 9,65 13,10	20,15 1,34 25,83 1,50 1,31 38,81 10,41 0,23 9,55 9,54
.Museums, exhibitions and the like.Hire of equipment and accessories for cul- ture.Television and radio broadcasting.Other services.Games of chanceNewspapers, books and stationery.Books.Scholastic books.Newspapers and periodicals	5,86 0,64 0,23 12,04 1,94 0,78 28,12 4,87 2,85 6,67	9,19 1,18 27,83 2,25 0,28 40,35 7,68 2,48 9,65	20,15 1,34 25,83 1,50 1,31 38,81 10,41 0,23 9,55

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LV-64 Council of Europe/ERICarts, "Compendium of Cultural Policies and Trends in Europe, 18th edition", 2017

Source: Central Statistical Bureau of Latvia.

8.2.2 Policies and programmes

Participation in in cultural life as culture as an important indicator for the quality of life, has been discussed in cultural policy guidelines *Creative Latvia 2014-2020*. The idea of a minimum standard of cultural services appropriate to a specific level of administrative territorial classification is raised.

Support for participation in cultural life is offered through the project competitions and programmes of the Culture Capital Foundation, <u>http://www.kkf.lv</u>.

Several cities have membership cards or discount cards that offer also discounts for cultural events.

Most of the museums have a free entrance day or hours each week. Museums do not require an entrance fee for children under 7 years and for other disadvantaged groups of society (children from large families, disabled persons etc.). Since 2001, Latvian museums also participate in the international museum action *Printemps des Musées*, in 2005 transformed into *Nuit des Musées*. Each year, the number of participating museums and other cultural organisations, as well as audience increase. In 2005, 54 organisations took part in the event, while in 2014 the number of participating organisations increased to 121. The number of visitors increased from 65 000 in 2005 to 230 000 in 2014, especially increased the number of visitors in regions. Data of the study "Cultural consumption and participation of Latvian Population in Cultural Activities 2007-2014" suggests that 31% of Latvian inhabitants has visited Museum Night activities in 2014.

According to the same study the most popular cultural activity in 2014 was participation in community festivals (69% of Latvian inhabitants in 2014 has visited such festival at least once per year).

Digitalisation of libraries has been a significant contribution to the accessibility of cultural services in regions. See chapter 4.2.11.

During the last decades, the number of films produced in Latvia increased, while the number of cinemas decreased from 90 in 1990 to 15 in 2014. The total number of screens has decreased from 1103 in 1990 to 64 in 2014 (source: Central Statistical Bureau of Latvia, National Film Centre). Recently several projects have been developed in order to promote distribution of national films throughout the country. National Film Centre of Latvia organises or financially supports several film distribution projects, such as "Film Marathon", "Films for everyone and everywhere in Latvia", "Cultural Spot". In collaboration with the state agency "Cultural Information Systems", 106 Latvian films are made available online www.filmas.lv free of charge in 811 public libraries all around Latvia. Moreover, a project "Film education at schools" has been developed to encourage teachers include Latvian films in learning process.

There are long traditions of Art Days and Poetry Days in Latvia – these include series of public events throughout Latvia which attract large audiences.

8.3 Arts and cultural education

8.3.1 Institutional overview

<u>The Ministry of Education and Science</u> is responsible for the development and coordination of the implementation of education, research, sports and state language policies.

<u>The Ministry of Culture</u> is responsible for art and cultural heritage education in Latvia. Since 2011, the state agency <u>Latvian National Centre for Culture</u> is responsible for education policy in culture and the cultural industries, and supervises public art education in schools.

Latvia has well developed cultural education system with 153 art, music and dance schools on elementary school level (from them 147 are municipal schools and 6 are private schools), and 34 design, art, music and dance schools on secondary level (24 state schools, 4 municipal and 6 private schools). Reorganisation of these schools has been the major debate during the last decade.

During 2009-2010 there was discussion about the reform of public culture education schools on elementary school level. According to the plan, two education programmes were developed until 2014: the first level programme offered basic skills and knowledge in art and music; while the second level programme provided extended curricula aimed at higher professional standards offering a possibility to continue a professional career.

One of the priorities set by the cultural policy guidelines "Creative Latvia 2014-2020" is to develop long-life learning and cultural education responding to the needs of employers. The planning document suggests to reorganise existing cultural education system on secondary level, consolidating schools and establishing eight professional cultural education centres of competence. Funding of EU Structural funds will be invested in these centres. This process of reorganisation takes place since 2015.

These schools are co-financed by municipalities, the state and parents of pupils. Currently, primary arts education schools are founded and funded by the municipalities, while the Ministry of Culture pays for the salaries of teachers. As for secondary art education schools, the majority are established by the state.

The budget for cultural education has been cut significantly. In comparison to the year 2008, state subsidies for cultural education in 2011 have been reduced by about 40%. Notwithstanding the sharp reduction in public funding, the subsidies for cultural education still make up a significant share in the budget of the Ministry of Culture: it is about 1/3 of the total budget. The majority of subsidies go to primary and secondary cultural education schools, while about 20% is used for higher education.

Following state independence in 1990, a number of changes took place in the organisation and curricula of art schools and universities – e.g. new programmes on the history of culture, traditional culture and folklore, theatre science, theatre and film directors, arts management, museology, etc. have been developed.

8.3.2 Arts in schools (curricula etc.)

The curricula and requirements are set by the regulations of the Cabinet of Ministers. At primary school level, both visual art and music lessons are included in the curriculum. It also includes development of creative skills. Until the 7th grade, there are 2 music lessons per week, later on -1 lesson per week. There are 2 visual arts lessons per week until 5th grade, later on -1 lesson.

At secondary school level, a pupil can choose between lessons in visual arts or music and both subjects are mainly directed at theoretical knowledge.

There are no programmes involving artists in education. Many schools have out-of-school activities, such as choirs, theatre groups etc.

There has been a discussion between the Ministry of Culture and the Ministry of Education and Science about including more art and culture subjects in the curricula (e.g. obligatory singing in choir), however, without major success.

8.3.3 Intercultural education

The Latvian Academy of Culture regularly provides special programmes of intercultural education e.g. BA sub programmes *Intercultural Relations* Latvia – Great Britain; Latvia – Spain; Latvia – Germany; Latvia – Sweden; Latvia – Italy; Latvia – Poland; Latvia – Nordic countries etc. (<u>http://www.lka.edu.lv/en/</u>). See also chapter 4.2.4.

8.3.4 Higher arts education and professional training

Arts education is supervised by the state agency <u>Latvian National Centre for Culture</u> and is available on three levels:

Data from 2014are as follows:

- primary arts education is available at 153 art, music and dance schools (from them 147 are municipal schools and 6 are private schools);
- secondary arts education is available at 34 design, art, music and dance schools (24 state schools, 4 municipal and 6 private schools);
- higher education is available at 19 higher education establishments: 12 state-founded and 7 private universities in the fields of culture and creative industries (design, art, audiovisual media, architecture, music, culture, dance, art pedagogy, art therapy and cultural management. Under the auspices of the Ministry of Culture are the following higher education establishements: <u>Latvian Academy of Culture</u>, <u>Jazeps Vitols Latvian</u> <u>Academy of Music</u>, <u>Latvian Academy of Art</u> and the <u>Latvian Culture College</u>. In 2011, the Latvian Culture College changed its legal status and is now incorporated in the Latvian Academy of Culture, in future aiming to integrate and coordinate the academic curricula of both institutions.

See chapter 3.4.4 and chapter 8.3.1.

8.3.5 Basic out-of school arts and cultural education

The <u>Latvian National Centre for Culture</u> supervises public arts education schools and organises diverse education programmes for adults and pupils in the field of intangible heritage. <u>The State Centre of Education Content</u> is responsible for out-of-school education and also co-ordinates the <u>Latvian School Youth Song and Dance Celebration</u>. Moreover, there are numerous private initiatives in the field.

A lot of museums have developed educational programmes for children and pupils. In 2011 there were 5975 educational lessons in museums. In the performing arts field, good examples are the National Opera of Latvia, with special activities for children (see article in *Arts Management Newsletter* <u>Nr. 83</u>), and the Latvian National Symphony Orchestra "Symphony concerts for kids and their parents". Theatres offer different workshops and educational tours around the theatre.

The project "FilmBus" has been launched in cooperation with corporate sponsors: animated films for children were shown free of charge in regional arts and culture centres all over Latvia (see chapter 8.2.1).

The most significant out-of-school activities are choirs and folk dance groups, as these are included Latvian Youth School and Dance Celebration that takes place every fifth year in

Riga. The best choirs, dance groups, folk ensembles etc. are selected to take part in this event. In 2015, 38 000 children took part in the celebration.

8.4 Amateur arts, cultural associations and civil initiatives

8.4.1 Amateur arts and folk culture

Traditional and amateur art is linked to culture houses and cultural centres located throughout Latvia (see chapter 8.4.2). The cultural policy guidelines "Creative Latvia 2014-2020" recognise the important role of participation in the arts.

Participation of Latvian inhabitants in amateur art groups has sharply declined after 1990 when 4.57% of the population took part in amateur art groups, while in 1992 - only 2.9%. Since the end of the 1990s, the participation rate is stable, reaching 3.22% in 2014.

Due to the economic crisis, state subsidies to the organisers of amateur art groups were reduced, thus the development of amateur art is now mainly the responsibility of municipalities. <u>Latvian National Centre for Culture</u> (under the auspices of the Ministry of Culture) has a coordinating role. The aim of the Agency's activities is to implement national policies in the field of intangible cultural heritage and in the associated fields of amateur arts, as well as in cultural education. It is also organising different events, festivities, and seminars involving amateur art groups all over the country.

Folk art, or its contemporary interpretation, is the basic activity for a great majority of amateur art groups (especially dance and folk ensembles). Choir singing is another significant aspect of the amateur art sector. Once every 5 years, the best amateur choirs and dance groups are selected to take part in the Nationwide Latvian Song and Dance Celebration which is among the most important cultural events in the country. Along with similar celebrations in Estonia and Lithuania, it is included in the Representative List of the Intangible Cultural heritage of Humanity of UNESCO. The last festival took place in the summer of 2013 gathering about 40 000 participants.

See chapter 4.2.4 on support for traditional culture of ethnic minority groups.

8.4.2 Cultural houses and community cultural clubs

Culture houses are the main support base for cultural processes outside of Riga. The major tasks for cultural houses are as follows: to maintain infrastructure in order to accommodate amateur art activities; to secure availability of professional art in the regions; and to sustain intangible cultural heritage.

The number of cultural houses, similarly as the number of other cultural institutions, has been sharply reduced during the transition period. The number of cultural centres has decreased from 891 in 1990 to 559 in 2014. The great majority of the centres are situated outside Riga, providing the basis for cultural activities and cultural participation.

During the last years, numerous cultural houses all over Latvia have been reconstructed and their infrastructure improved, taking advantage of different support schemes, often – EU Structural Funds. In the framework of the planning period of EU Structural Funds 2007-2013, the reconstruction or building of multifunctional cultural centres and concert halls was planned in the regional centres of Latvia (see chapter 4.1. and 4.2.8). According to the information of the Ministry of Culture up to 2009, 74% of the cultural centres in Latvia have been reconstructed.

In 2014, cultural houses hosted 53 000 participants in 3 187 amateur art groups, while in other premises only 550 amateur art groups (with 11 400 participants) carried out their activities.

The Nationwide Latvian Song and Dance Celebration is made possible by this huge and stable framework (see chapter 8.4.1). To keep the tradition alive and maintain quality, culture houses and amateur arts groups were partly supported by the state – either via the Ministry of Culture or via the Culture Capital Foundation, and by local authorities. In 2007 and in 2008, the Ministry of Culture assigned direct support to the salaries of 264 leaders of amateur art groups. In 2009, these subsidies were cancelled due to the economic crisis. Recently these subsidies are being renewed. Municipalities are responsible for the infrastructure and activities taking place in cultural houses.

<u>The State Centre of Education Content</u> (under the Ministry of Education and Science) coordinates extra-curricular education for children and young people, including cultural activities. See the portal <u>http://www.jaunatneslietas.lv</u> to get more information on public policy for youth. See also chapter 8.3.5 on out-of-school art education.

8.4.3 Associations of citizens, advocacy groups, NGOs, and advisory panels

See chapter 3.2 and chapter 4.3 on councils and advisory boards; chapter 4.2.1 on the priorities of public policy and chapter 8.2.1 about associations of citizens.

9. Sources and links

9.1 Key documents on cultural policy

Recent cultural policy documents and studies are available only in Latvian. Please, refer to the website of the Ministry of Culture, <u>http://www.km.gov.lv/</u>

Legislation:

NAIS – Latvian Legislation Database, http://nais.lv/

Laws and translations are available here: http://likumi.lv/

Planning documents are available here: http://polsis.mk.gov.lv/

Documents available in English:

Sustainable Development Strategy of Latvia 2030 http://www.varam.gov.lv/lat/pol/ppd/?doc=13857 or http://www.pkc.gov.lv/latvija2030

National Development Plan 2014-2020 <u>http://www.pkc.gov.lv/par-nap2020</u> (available in English and Russian)

Studies available in English:

Creative Industries in Estonia, Latvia and Lithuania in 2010, http://www.km.gov.lv/lv/doc/starpnozares/radosa/CreativeIndustries_EstLatLit.pdf

Creative Industries in Estonia, Latvia and Lithuania in 2011, http://www.km.gov.lv/lv/doc/starpnozares/radosa/Creative_Industries_2011.pdf

Design for Latvia (by Mollerup Designlab A/S, Denmark, 2004); <u>http://www.km.gov.lv/lv/doc/starpnozares/petijumi/Dizains_Latvijai_en.pdf</u>, <u>http://www.km.gov.lv/lv/doc/starpnozares/petijumi/Dizains_Latvijai_pielikums_en.pdf</u>.

<u>Creative industry sector in Latvia: summary in English 2013</u> (SIA "Baltijas Konsultācijas" un SIA "Konsorts", 2013)

<u>Cultural Access and Participation: Latvia 2013</u> (European Commission, Eurobarometer, 2013)

Economic value and impact of public libraries in Latvia 2012 (Trešais tēva dēls, 2012)

9.2 Key organisations and portals

Cultural policy making bodies

Saeima, the Latvian Parliament <u>http://www.saeima.lv/</u>

The Cabinet of Ministers of the Republic of Latvia <u>http://www.mk.gov.lv</u>

Ministry of Culture http://www.km.gov.lv

Ministry of Finance http://www.fm.gov.lv

Ministry of Foreign Affairs <u>http://www.mfa.gov.lv</u>

The Ministry of the Environmental Protection and Regional Development http://www.varam.gov.lv/

Latvian National Commission for UNESCO <u>http://www.unesco.lv</u>

National Film Centre of Latvia http://www.nfc.lv

National Archives of Latvia http://www.arhivi.lv

State Inspection for Heritage Protection <u>http://www.mantojums.lv</u>

Latvian National Centre for Culture <u>http://www.lnkc.gov.lv/</u>

Professional associations

The Council of the Creative Unions of Latvia <u>http://www.makslinieki.lv</u>

The Association of Contemporary Arts NGOs <u>http://kulturasnvo.wordpress.com</u>

The Latvian Designers' Society http://www.design.lv/en/ http://www.design.lv/

Latvian Filmmakers Union http://www.latfilma.lv/lks/

The Latvian Film Producers Association http://www.latfilma.lv/producer/

Latvia

Latvian Librarians Association http://www.lnb.lv/en/librarians/latvian-librarians-association

The Latvian Association of Architects <u>http://www.architektura.lv/</u> <u>http://arh.latarh.lv/</u>

Latvian Theatre Association <u>http://www.ltds.lv</u>

Latvian Booksellers Association <u>http://www.gramatizdeveji.lv/</u>

Grant-giving bodies

State Culture Capital Foundation <u>http://www.kkf.lv</u>

International Writers' and Translators' House <u>http://www.ventspilshouse.lv</u>

Latvian Literature Centre <u>http://www.literature.lv</u>

Nordic Council of Ministers' Office in Latvia http://www.norden.lv

Society Integration Foundation <u>http://www.sif.lv/</u>

Cultural research and statistics

Ministry of Culture http://www.km.gov.lv/lv/ministrija/petijumi.html

Central Statistics Bureau of Latvia http://www.csb.gov.lv

The Public Policy Site <u>http://www.politika.lv</u>

Transparency International Latvia <u>http://www.delna.lv</u>

Culturelab / cultural policy http://www.culturelab.com

Culture / arts portals

Latvian Culture Portal <u>http://www.culture.lv</u>

Cultural Mapping Project in Latvia <u>http://www.kulturaskarte.lv</u>

Latvian Literature Centre http://www.literature.lv

The New Theatre Institute of Latvia <u>http://www.theatre.lv</u>

Theatre Portal <u>http://kroders.lv/</u>

Music in Latvia http://www.music.lv

State Concert Agency *Latvijas Koncerti* <u>http://www.latvijaskoncerti.lv</u>

Latvian Music Information Centre <u>http://www.lmic.lv</u>

Best of Baltic Enterteinment <u>http://bobe.me/lv/</u>

Latfilma / Films in Latvia http://www.latfilma.lv/

Portal on Films http://www.filmas.lv/

Latvian Centre for Contemporary Art <u>http://www.lcca.lv</u>

Contemporary Art Centre <u>http://www.kim.lv/</u>

Design Information Centre <u>http://www.dic.lv</u>

RIXC / new media http://www.rixc.lv/

Latnet Art Gallery <u>http://www.gallery.lv/EN.htm</u>

Art Territory: online magazine on art in Baltic, Russian and Scandinavian countries <u>http://www.arterritory.com/</u>

Creative industries <u>http://www.fold.lv/</u>

Other links and resources can be found: <u>http://www.latvija.lv</u>

Latvian Institute http://www.li.lv