Maximising synergies between tourism and cultural and creative sectors

Discussion Paper for the G20 Tourism Working Group

G20

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2 Note by the OECD Secretariat

This discussion paper was prepared by the OECD at the request of Indonesia G20 Presidency to support the discussions in the G20 Tourism Working Group on 23 September 2022, and the G20 Tourism Ministers Meeting on 26 September 2022. The paper i) provides an overview of the links between tourism and cultural and creative sectors, ii) outlines the importance of cultural and creative sectors internationally, iii) discusses the benefits and challenges of creating a more integrated approach to cultural and creative tourism policy, and iv) suggests issues for discussion and areas for further G20 cooperation.

This discussion paper complements the draft G20 Bali Guidelines, in particular the pillar on Innovation, Digitalisation and Creative Economy, and provides avenues for the implementation of Guidelines. It also:

- Follows the commitment by the G20 Leaders under the 2021 Italy Presidency to *"explore collaboration in the fields of creative economy and innovation in support of tourism"* [G20 Rome Leaders Declaration]

- Builds on the recognition by the G20 Tourism Ministers under the 2021 Italy Presidency of *"the importance of cultural tourism as a means for affirming the value of culture as a resource for dialogue and mutual understanding among people, for the preservation and appreciation of cultural diversity and the conservation of cultural heritage"* [G20 Rome Tourism Ministers Communiqué], and the linkages between tourism and culture and creative sectors highlighted in the G20 Rome Guidelines for the Future of Tourism endorsed by the G20 Tourism Ministers under the 2021 Italy Presidency.

- Builds on the recognition by the G20 Culture Ministers under the 2021 Italy Presidency of *"the importance of sustainable cultural tourism for affirming the value of culture as a resource for dialogue and mutual understanding among people, for the preservation and appreciation of cultural diversity, the conservation of cultural heritage and the sustainability of local communities"* and on the encouragement of *"…the sustainable management of cultural heritage sites, the increased participation of the cultural and creative sectors and local communities in the development of tourism and better protection in case of important tourism flows"* [Rome Declaration of the G20 Ministers of Culture].

- Supports the *Mandate of the Tourism Working Group*, as established under the 2020 Saudi Arabia Presidency and set out in the G20 Diriyah Communiqué, to promote sustainable and inclusive practices, and encourage continued innovation in the sector.

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Better integration of tourism and cultural and creative sector policy can help support a strong recovery. Cultural and creative sectors have a synergistic relationship with tourism. Cultural and creative sectors serve as a magnet for tourism and often rely on revenue from tourism to sustain their practices. However, the complementarities between culture and tourism go beyond these traditional links. Increasingly, policy makers are recognising the role of cultural and creative sectors in supporting innovation in tourism (e.g. through new digital technologies), promoting places internationally (e.g. through creative content such as film) and supporting more sustainable tourism (e.g. through contributing to the diversification of tourist destinations).

Cultural heritage and the creative economy represent a unique tourism asset

The relationship between culture and tourism has been a major source of tourism growth[1] in recent decades with cultural tourism one of the largest and fastest growing global tourism markets. Though estimates vary, depending largely on the definition of cultural tourism used, figures from the World Tourism Organisation (UNWTO) suggest that 40% of tourism can be attributed to cultural tourism.[2] In France, cultural tourism was estimated to create over 100 000 jobs and EUR 15 billion in revenue prior to the pandemic.[3] In the UK, spending by tourists attending live music events contributed GBP 4.7 billion to the UK economy in 2019 – up 6% from GBP 4.5 billion in 2018.[4] Overseas cultural tourists are also estimated to stay longer and spend more than other tourists. For example, international visitors that took part in a cultural activity during their visit to Australia have been estimated to stay 25% longer and spend 20% more than other visitors.[5]

In recent years, the concept of "creative tourism" has grown as policy has recognised the potential for the creative industries to support tourism, for example through learning experiences and contemporary forms of creativity. Tourism and cultural and creative sectors are often symbiotic – tourism relies on cultural heritage, while cultural and creative sectors are supported by revenues from tourists. This is particularly evident in cultural heritage sectors, such as museums and art galleries, where up to 70% of self-earned (e.g. non-government subsidised) revenues comes from ticket sales and gift shop purchases made by visitors.[6] However, the creative economy also has a synergistic relationship with tourism. Culture and creative sectors both contribute to vibrant cities and regions and are deeply embedded in local contexts. As such, creative workers, businesses and organisations contribute to the image and feel of a place, which makes places more attractive to visit, live in, work in and invest in. This in turn contributes to local development in general and creates a snowballing effect, with a flourishing creative sector increasing further tourism.

Effectively linking tourism and creative economy policy has numerous benefits:[7]

- **increasing tourism demand and/or changing tourist profiles** by generating new and engaging tourist experiences and rising awareness of lesser-known locations
- **generating higher value added tourism,** by supporting the preservation of local heritage
- **stimulating innovation** by adding creative impulses and new technology to tourism development and challenging the creative industries to find new ways of managing tourism and improving tourism business operations
- **driving exports** through products that link creative content, places and culture in order to increase general levels of interest in local creativity and stimulate tourist visitation
- **knowledge and skill development** as a result of increasing contacts between creative and tourism industry professionals, between producers and consumers, and between consumers and residents
- **job creation** through establishing places as nodes in creative networks, stimulating the formation of clusters of creative and tourism businesses

Cultural heritage and creative industry expertise cannot be easily replicated, and as such offers unique resources for place branding and the diversification of tourism destinations. Culture and creative sectors provide a unique tourism offering and can be used to create distinctiveness in a crowded global marketplace. While key cultural institutions in large cities are an obvious draw for tourists, developing social and cultural networks are increasingly recognised as offering a more sustainable basis for place distinction[8]. Moreover, strengthening and promoting cultural and creative sectors in smaller urban and rural areas can support local development and regeneration through cultural and creative tourism as well as reducing congestion in traditional tourism centres. For example, as part of their European Commission supported National Recovery and Resilience Plans (NRRPs), several EU countries are designating funds towards creating cultural tourism routes that target rural and disadvantaged areas.[9]

Creative content can also be used as a vehicle for place promotion. For example, the Hobbit Trilogy is estimated to have directly increased international tourist arrivals to New Zealand by 214 800 between 2013 and 2014, contributing over USD 771 million in increased international tourist receipts.[10] Similarly, visits to Glencoe in Scotland, UK, increased by over 40% in 2014 after it featured in Skyfall, the 23rd James Bond movie.[11] In the Republic of Korea, the international success of the K-pop music scene has dramatically increased the country's international tourism market.[12] According to a report by the Korea Tourism Organization, in 2019, Hallyu (or "Korean-wave") related tourism made up 7.4% of all inbound tourism, when looking at Korean pop culture content (including K-pop, K-drama and K-variety shows), and made up 55.3% of international tourism when a broader definition of Hallyu (including Korean food, Korean delicacies, and Buddhist temple stays) was used.[13] Moreover, these tourists further promote Hallyu when back home, thus expanding the international market for Korean cultural and creative goods.

Cultural tourism helps to preserve and promote traditional cultural practices and indigenous communities. For example in Canada, the Canadian Experiences Fund invests in products and experiences that help Indigenous Peoples present their histories, traditional stories, creative arts and contemporary values to the world, while creating new economic opportunities. Similarly, the Office of Native Hawaiian Relations' Heritage (Tourism) Opportunities in Hawai'i (HO¯'IHI) Program supports Native Hawaiian organisations with grant funding through the NATIVE (Native American Tourism and Improving Visitor Experience) Act to develop visitor engagement programmes that embrace the cultural value of ho¯'ihi (respect). With programme support, visitors learn Hawaiian history and culture, experience first-hand traditional cultural practices, and undertake related activities that convey respect and reaffirm the principle of reciprocation to the place, resources, and traditional knowledge holders.

Cultural tourism can help educate international visitors, but it can also be targeted towards domestic visitors to discover more about their roots. For example, in the UK, Historic England has launched a fund to support community and heritage organisations to celebrate working class histories that were previously unknown or ignored, aiming to further the nation's collective understanding of England's past. Similarly, as part of Türkiye's 2023 Tourism Master Plan, raising local awareness of the value of both physical and non-tangible cultural heritage in Türkiye's cities forms part of the strategy to promote cultural tourism to domestic audiences. Such initiatives to target domestic tourists diversify the audience and can lead to a more sustainable tourism sector in the post COVID-19 recovery.[14]

In diversifying the tourism offer, cultural and creative businesses themselves can be a tourist attraction. For example, "know-how" tourism has been identified as a priority sector for France, aimed at offering new places to visit, promoting France's industrial and technical heritage, and its excellent know-how and crafts. Today, 2 000 companies from all sectors of activity (fashion and textiles, luxury, cosmetics and well-being, energy and the environment, etc.) open their doors to the public. The government's ambition is to double this number by 2025 by structuring the sector at a national level, in particular through the steering of the *Entreprises et découvertes* association, which cooperates directly with the interested regions and companies. This association assists companies, groups of companies, and territories in creating tour itineraries or professionalising the offer or creating tailor-made company tour operations for a target audience, for a sector of activity, or for a destination (support, advice, training).

Cultural and creative sectors can also directly feed into the activities of the tourism sector, such as hospitality, accommodation and travel. Cultural and creative sectors can help make public spaces and hotels more attractive and more sustainable through creative architecture, design services and public art. For example, in some counties in China, architects, interior designers and artists were hired to transform rundown areas into tourist accommodation and attractions, renovating the area whilst preserving its traditional aesthetic. Creative people can also be utilised to help to tell the story of a place, through creative content (e.g. books, films, music, etc.), through advertising services and heritage work. In this way, the tourism sector can also be seen as a customer of the cultural and creative sector. Strengthening linkages between cultural and creative sector SMEs and tourism SMEs can help develop synergistic networks and promote entrepreneurship. For example, Fiji have recently launched a 150% tax deduction to hotels, venues and restaurants to hire local musicians and performers, and the Netherlands have integrated design thinking into development of their broader tourism policy.[15]

Cultural and creative sectors are driving innovative forms of tourist offerings. For example, *Auf der Flucht* (On the run) is a regional project from the Austrian-Swiss border area, where guests participate in an interactive theatre experience including a 1-day guided mountain hike. A second example is the Father and Son video game published by the Archaeological Museum of Naples, Italy, as part of its strategic plan to develop new audiences. The game, released for free, includes additional content which can be accessed when players "check-in" by physically visiting the museum.

Cultural and creative sectors can be harnessed to promote more sustainable tourism. For example, 3D printed sites in Egypt or virtual replicas of Ireland megalithic monuments make the protection of sites easier. Similarly, new forms of virtual experiences are being used to diversify the cultural tourism market by offering access to sites which cannot be experienced physically. For example, in Japan, a digital museum has been launched which recreates the off-limits areas forbidden to visitors of the World Heritage abandoned coal mining facility, Gunkanjima (Battleship Island) through VR and projection mapping. Cultural tourism polices which promote the development of the creative economy can also support wider sustainable development goals. This includes issues such as women, youth empowerment and inclusion, and sustainable and inclusive urban growth.

Cultural and creative sectors are a major source of job creation and value generation across the G20

Cultural and creative sectors cover a diverse range of industries and professions. While national level definitions of creative industries, cultural industries and the cultural/creative economy differ, broadly speaking cultural and creative sectors encompass a wide range of activities. This includes advertising, architecture, crafts, design, fashion, museums and heritage, music, TV and film, videogames, and visual and performing arts, and in some countries, such as Indonesia, food and gastronomy is also considered part of the cultural sector. These sectors each have varying dynamics and business models, ranging from not-for-profit and public institutions to for-profit companies.

As recognised by the G20, cultural and creative sectors are significant economic drivers in their own right in terms of jobs and incomes and generate important spill-overs to the wider economy.[16] In 2018, cultural and creative businesses accounted for an average of 7% of all enterprises and 2.2% of the total business economy gross value added (GVA) across OECD countries.[17] Some national level estimates in G20 countries, using slightly different definitions, put the size of cultural and creative sectors even higher. For example, in South Africa, cultural and creative sectors contributed 3% of national GDP in 2020, making the sector approximately the same size as agriculture.[18] Cultural and creative employment (including in cultural and creative occupations throughout the economy) accounted for up to 1 in 20 jobs in some OECD countries and up to 1 in 10 jobs in major cities and capital regions. Around 40% of cultural and creative employment can be found outside of cultural and creative sectors, e.g. industrial designers

working in the automotive industry, highlighting the importance of creative skills for the whole economy. Around 40% of cultural and creative employment can be found outside of CCS, e.g. industrial designers working in the automotive industry, highlighting the importance of creative skills for the whole economy. In the decade prior to the COVID-19 pandemic, growth in the number of cultural and creative enterprises was higher than in the rest of the business economy (18% vs 12%) and growth in cultural and creative employment outpaced growth in overall employment in most OECD countries (13.4% vs 9.1%). Cultural and creative sectors also contribute to innovation through new products, services and content, as well as new business models and ways of co-production, including through skills mobility.

Cultural and creative goods and services are in increasing demand. The demand for cultural and creative products is also growing across OECD countries, with household spending on recreation and culture increasing by 18% between 2011 and 2019, twice as fast as overall spending. In 2019, recreation and culture accounted for nearly a tenth of aggregate household spending across the OECD, more than on restaurants and hotels, or clothing and footwear.[19] Similar patterns can be found across G20 countries. For example, in Saudi Arabia, museum visits almost doubled in the four years before the pandemic, increasing by 174% between 2014 and 2018.[20]

Box 1. Culture and the creative economy are high on the international agenda

Impressive progress has been made over the past few years in the recognition of culture's contribution to sustainable development and social cohesion. Culture is integrated into the 2030 Agenda for Sustainable Development, adopted in 2015. In 2017, the G7 Culture Ministers recognised the value of culture as a resource for dialogue among peoples and the sustainable development. The multiple benefits that culture and the creative economy bring to sustainable development have been recognised in various international frameworks, including the UN New Urban Agenda, and the European Union policy framework for culture. The UNESCO Thematic Culture Indicators for Culture in the 2030 Agenda provide evidence of culture's transformative role, making more visible and tangible the multiple ways in which culture contributes to many SDGs.

In 2018 Indonesia organised the first World Conference on Creative Economy under the theme *Inclusive Creativity*, to promote the creative economy as a driver for inclusive and equal opportunities. In 2019 at the 74th session of the UN General Assembly, 2021 was declared the International Year of Creative Economy for Sustainable Development. Indonesia was the main sponsor of the proposal, presented by a global grouping of countries, including Australia, China, India, Mongolia, Philippines and Thailand. The proposal recognised the need to promote sustained and inclusive economic growth, foster innovation and provide opportunities, benefits and empowerment for all.

The Saudi Arabia Presidency of G20, at the first High-Level Culture Summit/conference on the side-lines of G20 2020 - *The Rise of the Cultural Economy: A New Paradigm*, highlighted the cross-cutting contribution of culture to many of the areas tackled by G20, and its role in advancing G20 mission and goals, calling for its incorporation in the G20 Agenda. The first G20 Culture Ministerial, held on 29-30 July 2021 under the Italian G20 Presidency, adopted the Rome Declaration of the G20 Ministers of Culture. The Declaration highlighted the economic and social relevance of culture and the creative economy to G20 agenda, and encouraged common action to support cultural and creative sectors thought the crisis, as well as to protect cultural heritage and fighting Illicit trafficking of cultural property; addressing the climate crisis through culture, and building capacity through training and education.

Source: Rome Declaration of the G20 Ministers of Culture, Rome, July 30 2022; OECD (2021) Note for Italy G20 Presidency Culture Working Group, the Economic and social impact of cultural and creative sectors, https://www.oecd.org/cfe/leed/OECD-G20-Culture-July-2021.pdf

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Cultural and creative sectors are increasingly being harnessed as a tool for local development and regeneration. CCS not only provide direct economic benefits (through taxation, job creation and innovation), and social benefits (e.g. improved wellbeing and community cohesion), but also contribute to "place making" by making cities and regions more attractive places to work, live and visit, encouraging

investment and talent attraction. Local and regional governments have been shifting their policies from the direct support of artists and artistic organisations, towards policies that target the development of "cultural districts" or support the "creative milieu" of places and neighbourhoods, taking a more facilitation role in bringing together public private and community stakeholders.

Many subsectors within cultural and creative sectors were some of the worst hit by the COVID-19 pandemic, along with tourism. Estimates by UNESCO indicate that the overall contribution to the global GVA of cultural and creative sectors fell by 20% between 2019 and 2020.[21] In 2020, per capita spending on recreational and cultural services also dropped by 30% on average in the OECD relative to 2019, although businesses with a strong digital content, such as gaming and music streaming services, fared much better. While governments across the G20 offered a range of support measures to help the sector throughout the pandemic,[22] as the world reopens, greater emphasis is being placed on the potential for cultural and creative sectors to underpin a sustainable recovery.[23] For example, in the EU, significant funding will be mobilised for cultural and creative sectors under the National Resilience and Recovery Plans (NRRPs). Measures directly supporting culture and the creative industries amount to more than EUR 10 billion, representing approximately 2% of the total expenditure of the 25 NRPPS endorsed by July 2022.

Challenges to address in linking tourism and creative economy policies to drive a strong recovery

Governance and coordination

Both national and local level cultural and creative tourism polices are required to harness the power of culture in the post COVID-19 recovery. Evidence from the UNWTO shows that countries with dedicated cultural tourism policies were more likely to report larger numbers of cultural tourists and to report higher cultural tourism growth rates.[24] This entails the need for coordinated strategies that capitalise on synergies between cultural and tourism goals. For example, Canada's 2019 Federal Tourism Growth Strategy noted the importance of the Creative Export Strategy (which supports Canada's creative industries in achieving their international business objectives) in raising Canada's profile around the world, and thus attracting visitors to boost the tourism sector. Similarly, China's *14th Five-Year Plan for the Development of Cultural Industries* includes a dedicated section on integrating the development of culture and tourism, which promotes the two-way integration and complementarity of cultural and tourism industries, by enriching the tourism content with culture and using tourism to promote the dissemination and consumption of culture.

Coordinated governance structures for cultural and creative tourism, which bridge ministerial departments and engage with both cultural and creative as well as tourism stakeholders, is therefore important in creating policy impact. Across the G20, some countries have governance structures that place responsibility for culture and responsibility for tourism within the same department (e.g. China, Indonesia, Korea, Türkiye, the United Kingdom, etc.). However, for the majority of countries where culture and tourism do not fall within the remit of a single ministry, policy coordination may require additional governance structures to be implemented. Even in countries where tourism and culture are housed within the same ministry, effective coordination can be challenged by differing priorities. This is similarly the case with tourism and cultural stakeholders. While tourism stakeholders are primarily concerned with commercial opportunity, cultural stakeholders are often motivated more by the need to preserve cultural heritage and the intrinsic value that culture provides. While these goals are not mutually exclusive, cultural tourism policy must be mindful of the need to balance development and protection of culture with marketing and promotion.[25] Moreover, in pursing creative tourism agendas, there is an even greater need to work across networks and value chains, understanding and incorporating differing priorities of the various stakeholders involved. These governance issues are highlighted in recent work from UNCTAD, who worked with Angolan authorities to develop an action plan on Tourism and Creative Economy in Angola. This work promoted the creation of a public-private working group, engaging different

governmental and private stakeholders (culture, economy, trade and services, entrepreneurship, education, planning, infrastructure, environment, research, technology, foreign affairs, etc.).

Collaboration among different cities, towns and places is also important. For example, cultural routes can be a way to retain the distinctiveness of places, whist also feeding into broader national tourism agendas. Cultural tourism routes also offer an opportunity for knowledge exchange and peer learning between regions as well as offering economies of scale in marketing and promotion efforts. For example, over the past five years, the Netherlands Board of Tourism and Conventions created new collaborative partnerships with provinces, municipalities, destination marketing organisations and the private sector to enhance the cultural offer and stimulate cultural visits throughout the country by developing ten themed storylines. The storylines connect places throughout the country based on a cultural theme. Similarly, UNESCO's transnational Silk Roads Programme, has enhanced regional cooperation between 16 countries, reflecting the importance of culture and heritage as part of foreign policy.[26] Inter-regional cooperation can also be enhanced through initiatives such as the Brazilian Network of Creative Cities (RBCC), which supports the development and integration of the creative economy and tourism throughout its network.

Working linkages between cultural and creative businesses and organisations, and the tourism sector at the local level also need to be strengthened. For example, as part of Australia's Cultural Tourism Accelerator Program, funding is available for initiatives that develop partnerships between arts and cultural organisations and hospitality, accommodation, retail or events businesses to increase visitation and develop cross-markets. This initiative aims to increase tourism visitation in regional, rural and remote communities across Australia. Similarly, Indonesia has a programme to integrate local entrepreneurs into the tourism supply chain, by providing upskilling programs to local entrepreneurs (include training on branding, communication proficiency, and other business related skills) and in tandem, identifying potential partners for the local suppliers which encompass hotels, restaurants, cafes and convention or exhibition venues and running matchmaking events to bring supply and demand side actors together. Such initiatives can help address labour shortages and develop higher value added jobs by strengthening the cultural tourism supply chain within the local ecosystem.

Digitalisation and capacity building

The impact of COVID-19 has led to increased digitalisation of both culture and tourism, opening up new opportunities and new challenges. For example, whilst digitalisation of museum and gallery collections was a growing trend before the pandemic, lockdowns, social distancing measures and travel restrictions increased the need to reach audiences without physical presence. This prompted many cultural sites to offer virtual experiences, increasing their reach to audiences worldwide.

As the tourism sector opens up, virtual experiences, which reduce the need for physical attendance, could be seen as either a threat to physical travel or an opportunity for enhanced place marketing. For example, festivals and other large-scale events have long been used to both encourage cultural and creative sector development and to promote tourism.[27] During 2020 and 2021, many festivals pivoted to online activities and evidence suggests that hybrid events are likely to be a continued format for many festivals moving forward.[28] Such virtual options have the potential to displace physical visitor numbers with virtual ones, raising challenges in capturing the benefits of festivals to a local area. However, there is a growing body of evidence that demonstrates engagement in many virtual experiences (e.g. virtual tours, virtual collections, or virtual events) increases the likelihood of physical visitation after the virtual experience.[29] Virtual experiences can reach new audiences, showcase the range of attractions offered at a site and educate audiences about the local area, thus prompting greater motivation to visit the site physically.

Importantly however, the quality of virtual experiences has been shown to impact visitors experience as well as the likelihood of virtual tourists' motivation to visit a site physically.[30] This

raises capacity challenges for those wishing to harness virtual reality and other digital experience tools as part of cultural and creative tourism policies. Capacity building in digital tools is therefore an important consideration for the future of cultural tourism policy. For example, in France, the development of virtual reality experiences and immersive installations are supported in particular through the financing of the "Tech and Touch" fund of the public bank Bpifrance, which supports start-ups with creative and innovative models in the heritage, music, media and fashion sectors. The Korea Smart City Tourism Development Project introduced in 2020, encourages local governments and the private sector to work together in creating a smart tourism city. Incheon Metropolitan City, the first smart tourism city, launched an integrated mobile app "Incheoneasy" to provide a one-stop service using Artificial Intelligence (AI) technology that visitors can use during their stay (e.g. game missions, AI images of how the destination looked in the past). Smart tourism cities also use augmented reality (AR) and virtual reality (VR) content that incorporates the city's historical and cultural resources.

Addressing digital skills gaps is required in both tourism and cultural and creative sectors. COVID-19 has accelerated shifts towards digitalisation and OECD work has identified that digital skills gaps are a growing concern in both tourism[31] and cultural and creative sectors.[32] Investment in digital training and education is needed to better leverage the opportunities for innovation and value generation at the nexus between tourism and culture.

Job creation and decent work

Cultural and creative sectors are characterised by high levels of self-employment and part-time, informal and often precarious work. Cultural and creative workers are more likely to hold non-standard jobs – i.e. be self-employed, work part-time, or have temporary contracts – as well as to hold multiple jobs than other types of workers.[33] These jobs are typically more precarious when considering issues such as contract stability, level and fluctuations of income, and access to social protection.

Similarly, the tourism sector is dominated by SMEs and part-time and seasonal work. Around 85% of tourism businesses (e.g. accommodation and food services, travel agencies, tour operators) in the OECD are SMEs or micro-enterprises.[34] The sector is also characterised by high levels of informality and seasonal and part-time work.[35]

Cultural tourism policy can support SMEs and entrepreneurs to derive higher value from their activities. For example, in Indonesia, the Ministry of Tourism and Creative Economy carried out a programme to improve the capacity of local creative economy entrepreneurs including digital marketing and e-commerce training, business and tax consulting, and support for intellectual property registration. The programme did not just improve sales for the participants but also contributed to higher job creation. For instance, the participants hired 567 female workers after the programme, compared to 188 prior to the programme.

Better integration of tourism and cultural and creative sector policy has the opportunity to help diversify revenue streams for local businesses. For example, in Lithuania, strengthening the cultural and creative sector is being used to promote tourism in the off-season, for instance through developing artist retreats and cultural events.[36] In Santa Fe, New Mexico, United States, one percent of the hotel tax is dedicated to supporting local arts organisations, helping to maintain a flourishing arts community all year round, which in turn supports tourism and visitors to hotels.

Sustainability

Large visitor volumes is an issue for both the tourism sector and cultural and creative assets. Large-scale tourism can have negative effects on the local environment (such as overcrowding, congestion and pollution), the local economy (such as inflation and over-dependence) and on local communities (such as marginalising residents and a degraded sense of safety).[37] Large visitor volumes can also negatively

affect cultural assets such as heritage sites. Good coordination of cultural and tourism policy can help alleviate some of these issues, by promoting lesser-visited locations. For example, in Italy the "Piano Nazionale Borghi" project is investing in restoring cultural heritage sites and providing financial support for cultural, creative, touristic, and artisanal activities in small towns and villages across Italy. The project both promotes local development and helps to diversify the tourism offering away from the traditional tourist hubs.

Leveraging the benefits of cultural and creative tourism should aim to address, rather than replicate or exacerbate sustainability issues. While diversifying tourists away from more popular areas can help issues of large-scale tourism in those localities, care must be taken not to replicate these issues in new destinations. For example, being mindful of the need to protect natural resources and the potential impact of sudden high tourism demand without adequate infrastructure. Care must also be taken of local communities. For example, over commercialisation or "commercial misappropriation" of local cultural heritage can be deeply damaging to local communities[38] and policy can look to embed local stakeholders in cultural tourism development processes, enabling communities to retain control over the marketisation of their heritage and ensure that they adequately benefit from it.

Tourism and cultural and creative sector policy can work in tandem to promote more sustainable practices. For example, cultural and creative sectors can support "slow" and experience-based tourism which connects people to local environmental and cultural heritage, helping to promote more sustainable practises. For example, the Korea Tourism Durae project promoted by the Ministry of Culture, Sports and Tourism seeks to attract visitors to rural areas by supporting local cooperatives to offer diverse tourism services and experiences based on local traditions. Cultural and creative sectors, such as design and architecture can also help to develop more sustainable tourism infrastructures and creative content makers can support changing attitudes towards the environment and climate change. For example, as part of a EUR 1 900 million sustainable tourism destinations plan, many local entities in Spain are putting cultural activities at the centre of their local sustainable tourism plans.

Better data

In undertaking a coordinated approach to cultural and creative tourism policy, better data would be helpful to guide policy action. Many countries in the G20 have a Tourism Satellite Account, and some have or are developing cultural satellite accounts and broader cultural and creative statistics. While these efforts are highly valuable in informing policy in their respective areas, there remains a need for better data on the value of cultural and creative sectors to tourism and vice versa, to help support a forward-looking agenda of cultural and creative tourism.

Questions for discussion and areas for further G20 cooperation

1. What governance structures can be implemented to best support linkages between tourism and cultural and creative sectors?
2. What can G20 countries do to support innovation in cultural and creative tourism?
3. How can the G20 network be used to foster cross-national frameworks for measuring and assessing the linkages between tourism and cultural and creative sector?

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