



# Heritage in a Time of Financial Crisis

## The Norwegian Crisis Package and Cultural Heritage; the what, why and how?

For EHHF

Directorate for Cultural Heritage, Norway. T. Nypan (Dr.)





2 crisis packets; financial sector and labour market.

- The first package was aimed at the financial sector. The aim was to get the credit system into working order. Done through loans to banks and by increasing credit availability through gov. Institutions (Innovation Norway).
- Second package was aimed at the labour market and the consumer sector. That's where we come in.



## The main considerations in the Norwegian Government's funding of extraordinary measures.

- The initiated measures must have a speedy effect on the labour market.
- The measures must have specific target objectives.
- The measures must be limited in time.
- The measures shall strengthen the Government in its policies for environment and (income) distribution.



## The package overview

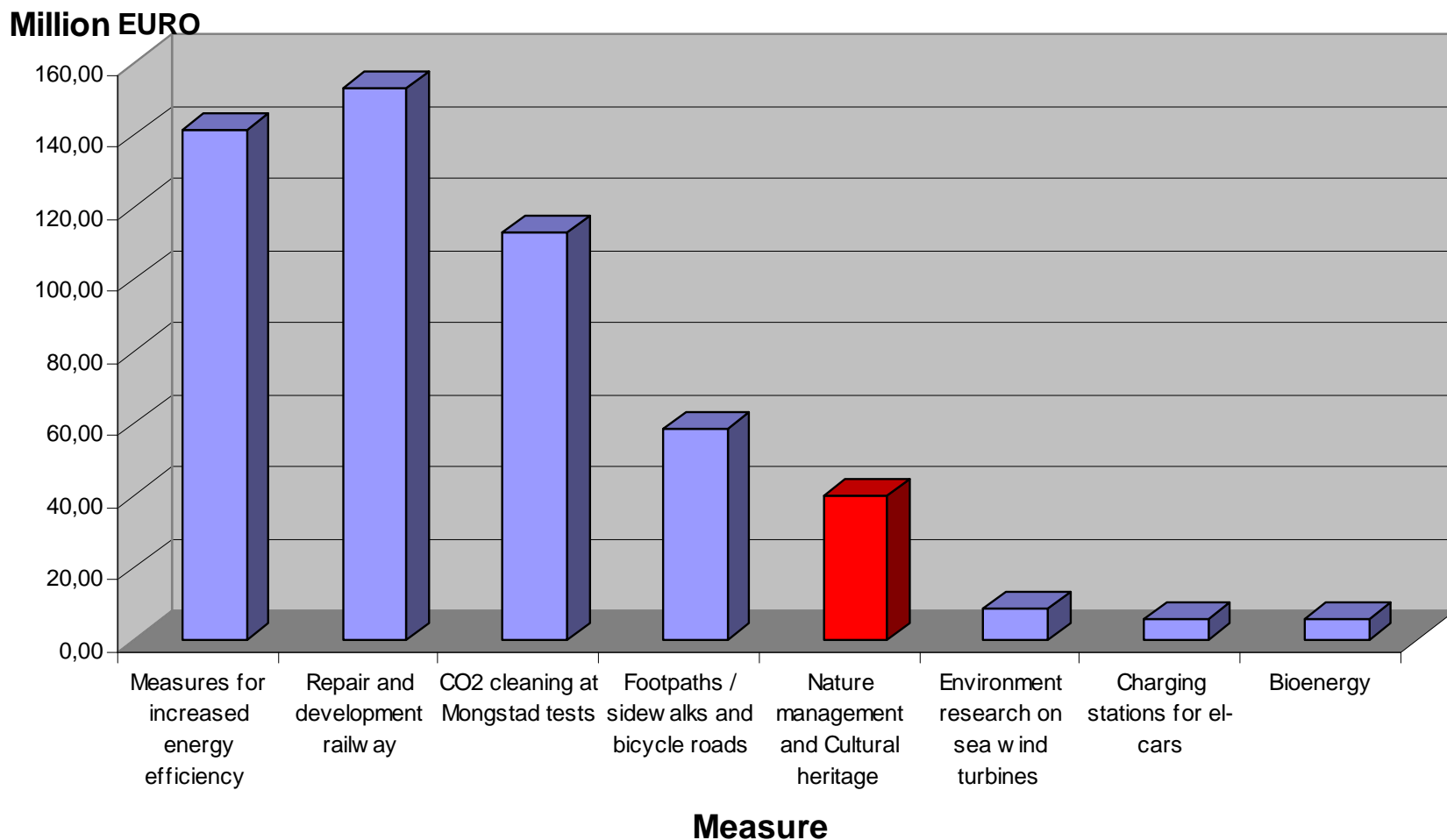
### Crisis measures, Main elements in Euro

Measures for increased energy efficiency	141 176 470,59
Repair and development railway	153 058 823,53
CO2 cleaning at Mongstad tests	113 176 470,59
Footpaths / sidewalks and bicycle roads	58 823 529,41
Nature management and Cultural heritage	40 000 000,00
Environment research on sea wind turbines	8 823 529,41
Charging stations for el-cars	5 882 352,94
Bioenergy	5 882 352,94
	526 823 529,41



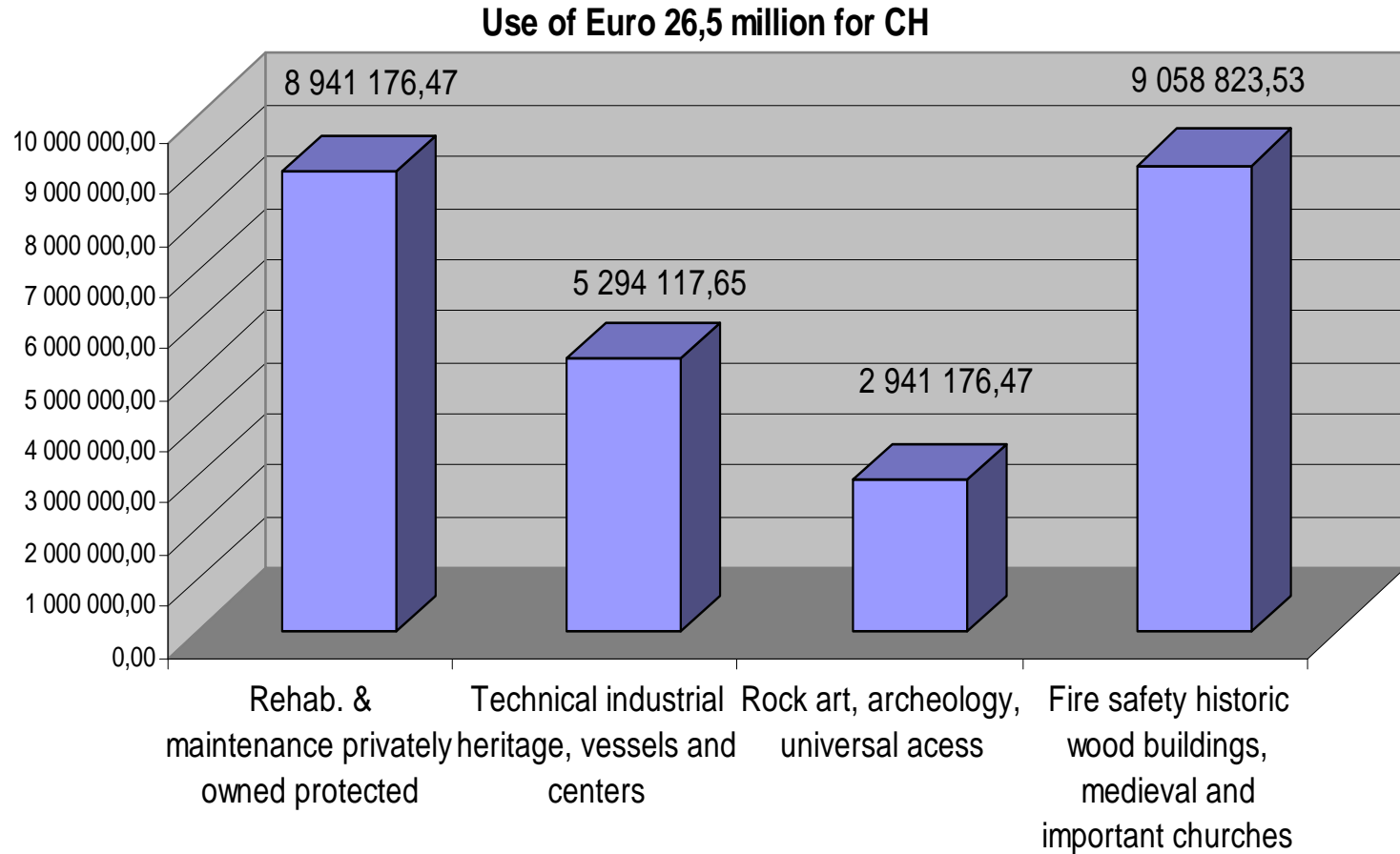
# Measures 26.01.2009

## Crisis package 527 mil. Euro, main elements.





## Measures cultural heritage - sub divided





## Overview financing cultural heritage; in Euro.

Rehab. & maintenance privately owned protected	8 941 176,47
Technical industrial heritage, vessels and centres	5 294 117,65
Rock art, archaeology, universal access	2 941 176,47
Fire safety historic wood buildings, medieval and important churches	9 058 823,53

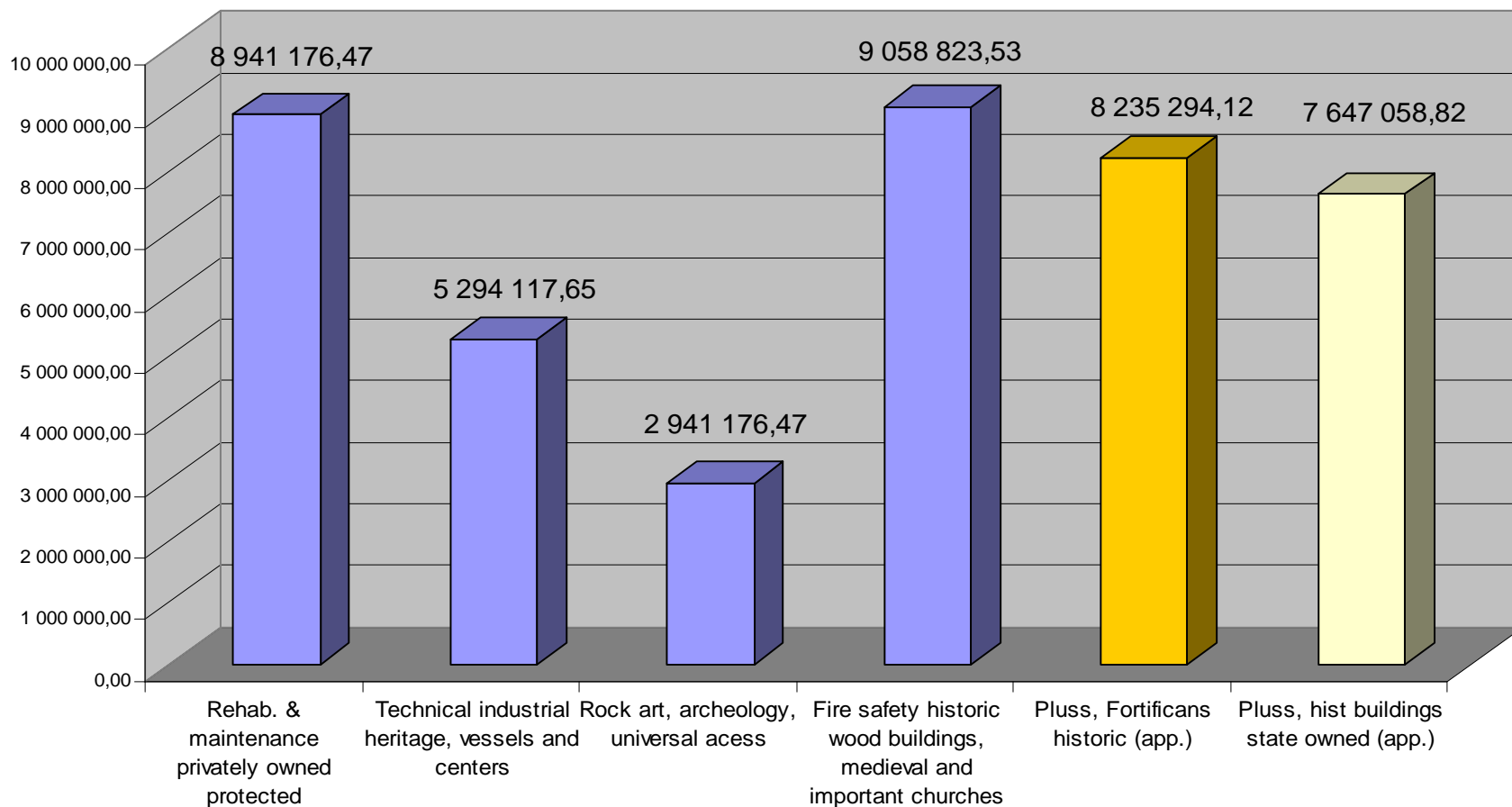
+ funding from other budget posts; i.e. Government Defence Property Agency, Government Property Agency, Regional & Municipal level. App 15 million.





The real picture (incl. Funding from other categories).

**The real figures mill. Euro. 8% of total funds committed.**







# The real picture (incl. Funding from other categories).

The real figures		
Rehab. & maintenance privately owned protected	8 941 176,47	
Technical industrial heritage, vessels and centers	5 294 117,65	
Rock art, archeology, universal access	2 941 176,47	
Fire safety historic wood buildings, medieval and important churches	9 058 823,53	
Pluss, Fortificans historic (app.)	8 235 294,12	
Pluss, hist buildings state owned (app.)	7 647 058,82	% of total
	<b>42 117 647,06</b>	<b>7,99</b>



## NDCH Norway has experience from economic downturn in the 80-ies.

- To mitigate unemployment in the construction sector the cultural heritage sector initiated 112 project for employment.
- 600 people participated in works that otherwise would not have been executed.
- 3.750.000 Euro invested.
- Results:
  - Upgraded skills and knowledge among many craftsmen, allowing them to work with historic houses afterwards.
  - “... to protect cultural heritage and solve important social tasks in the local society.” Results surprisingly positive.
  - Saved many important historic buildings.



## Rationale for funding cultural heritage.

- Labour intensive, more than new construction.
- High multiplier effect; 1 direct job creates many indirect; more than most economic activities.
- Most of the funding goes to salaries, little investment in machinery.
- Most materials are of local origin and are processed locally.
- The invested money remains in the local economy.
- Projects are planned and can be started immediately.
- Assures work with historic houses afterwards; demonstrated broader income base for SME's when economy turns.
- Serves to upgrade artisan skills and secure the future for tradition based crafts and techniques.
- Also a 'chunk' of the funding for energy efficiency measures will go to historic houses and built environments. Energy efficiency measures can reduce energy use in historic houses by 60-80% without jeopardizing the historic authenticity of the building.



# EPP-ED Group calls for investment in cultural heritage restoration as an opportunity to tackle the economic crisis

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**EPP-ED HEARING**  
**THE ECONOMIC ROLE OF HERITAGE**  
**IN A TIME OF FINANCIAL CRISIS**

CRISTINA GUTIÉRREZ-CORTINES  
THURSDAY, 5 MARCH 2009  
FROM 09.30 TO 13.00 HRS  
EUROPEAN PARLIAMENT  
BRUSSELS ROOM JAN 202

**EPP-ED**  
**ARSCIVILIS**



# ILO – International Labour Organisation.

- *“The restoration of buildings, roads and other elements of the built environment with heritage value is a labour-intensive type of activity. Therefore, it has high employment content. According to the ILO, experience has shown that for the same level of investment in local construction, the use of labour-based technologies can create between two and four times more employment.*
- *In addition, the use of labour-intensive methods promotes small and medium enterprises, causes the drop of foreign exchange requirements by 50% to 60%, decreases overall cost by 10 to 30%, and reduces environmental impacts.*

*It also implies the increased use of associated local resources. (...) stimulates the local economy.*

ILO, Dr. Edmundo Werna



## What do Cultural Heritage Authorities need? (I)

### Need to have

- Projects; with cost calculated ready to be activated and with a short timeline (max 2 yrs.).
- Prioritised projects / heritage objects that will benefit from the plan,
  - Quantitative information on national or regional job creation; direct and indirect.
  - Post project effects substantiated.
- Economic calculations, cases underpinning the rationale of investing in cultural heritage.
- Administrative system distributing (extraordinary) fund management to Regional & Municipal level.



# What do Cultural Heritage Authorities need? (II)

## **Beneficial to have:**

Updated knowledge of the maintenance condition of protected heritage stock.

A monitoring system for continuous measuring of condition over time; i.e. effect of funding.

Operationalised Political Objectives on how the condition should be at a given time.

A mandatory government reporting system for performance against objectives that reaches all major players (government, parliament, parties).

## **Advantageous to have:**

- Political (government, parliament, parties) support for object oriented policies; i.e. that means support for the objectives laid down.
- Communication and information activities that reach the public as well as the policy decision makers.
- Prior experience with handling employment creation projects.



## NDCH has over the last 10 years developed.

- Prioritised projects; plans with cost calculated ready to be activated and with a short timeline(max 2 years.). Maintenance monitoring and yearly update on condition development with financial needs quantified.
- Quantitative info on national regional job creation; direct and indirect.
- Information on post project effect.
- Economic calculations underpinning investing in cultural heritage.
- Knowledge of the maintenance condition.
- A monitoring system measuring condition development over time.
- Operationalised Political Objectives on how the condition at a given time.
- A mandatory government reporting system for performance against objectives that reaches all major players (government, parliament, parties).
- Political (government, parliament, parties) support for object oriented policies; i.e. that means support for the objectives laid down.
- Communication and information activities that reach the public as well as the policy decision makers.
- Administrative system distributing fund management to Regional & Municipal level.





FØR Istandsetting  
Fremskredent forfall



ETTER Istandsetting  
Ordinært vedlikeholds nivå