

Update study: The economic impact of the cultural and creative sectors in the Brussels-Capital Region and the diversity of the workforce

Draft 3 for feedback

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FOREWORD

This study was conducted by the research centre SMIT (Studies on Media, Innovation and Technology) at Vrije Universiteit Brussels (<http://smit.vub.ac.be/>). The research was produced with the financial support of hub.brussels (see Annex 2 for more information).

This research is an update study to the report “The economic impact of the cultural and creative sectors in the Brussels-Capital Region” published by hub.brussels in 2021. The previous study was conducted in 2020 and collected data before the COVID-19 pandemic up to 2018. This update study allows us now to see the development of the Cultural and Creative Industries (CCIs) in the Brussels-Capital Region during the years of the pandemic and to add more data around the diversity of the CCIs workforce.

For more data insights and to consult the study from 2020, please see:

<https://hub.brussels/en/study-the-cultural-and-creative-sector-in-brussels/>

<https://analytics.brussels#!/library/product-details/575>

INTRODUCTION

In its "déclaration de politique générale commune au Gouvernement de la Région de Bruxelles-Capitale et au Collège réuni de la Commission communautaire commune – Législature 2019-2024"¹, the Brussels Regional Government (BRG) identifies the Cultural and Creative Industries (CCIs) as one of the four key sectors of the metropolitan economy. Since then, hub.brussels has become a central organisation regarding regional thinking and action on the CCIs. This includes measures such as the Coordination Platform for Cultural and Creative Industries², which was launched in 2022, as part of the regional economic transition strategy. The platform aims to create a forum for consultation and exchange of information for the sectors. Other measures include for example the financing of the call for projects for Crea.brussels³ or the support via Finance&invest.brussels⁴ which gives priority to initiatives from the CCIs in 2022.⁵

These initiatives are grounded on the acknowledgement that the CCIs are a key driver for economic growth and create both cultural and substantial economic benefits for the economy in Brussels. Our previous study also conducted by SMIT-VUB "The economic impact of the cultural and creative sectors in the Brussels-Capital Region"⁶, carried out in 2020 and published in 2021 for hub.brussels confirmed the importance of these sectors for the Brussels economy. The findings showed that the CCIs experienced above-average growth, with an average annual growth rate of 2.4% in the 2017-2018 period while the Brussels economy grew by 1.2%. The CCIs make an essential contribution to the Brussels economy, with a net added value of €3,213.3 million in 2018 (or 3.8% of the Brussels economy).

However, since the study and the story the data told us, the CCIs have been immensely impacted by COVID-19. In fact, the CCIs are one of the sectors most affected. The suspension of live shows, concerts, film & TV production, exhibition and distribution, sporting events, writers' readings and photo assignments (to name a few) – on such a scale and for such an extended period – is unprecedented. Furthermore, the crisis has highlighted the very vulnerable position of

¹ <https://be.brussels/files-fr/a-propos-de-la-region/competences-regionales/declaration-de-politique-generale-commune-au-gouvernement-de-la-region-de-bruxelles-capitale-et-au-college-reuni-de-la-commission-communautaire-commune>

² <https://hub.brussels/en/services/a-platform-to-support-the-cultural-and-creative-industries/>

³ <https://crea-brussels.wiin.io/fr>

⁴ <https://www.finance.brussels/theme-de-financement/>

⁵ Find more opportunities for support in the CCIs in Brussels via <https://1819.brussels/en/information-library/start-business-formalities/setting-creative-cultural-or-artistic-business>

⁶ Komorowski, M. (2021). The economic impact of the cultural and creative sectors in the Brussels-Capital Region. Hub.brussels. Accessible via <https://hub.brussels/en/study-the-cultural-and-creative-sector-in-brussels/>

many workers in the CCI, such as freelancers and people from vulnerable and minority groups. Given vulnerabilities of the CCI but also the need for diversity in the sector, a recent study for the European Parliament⁷ called for a more systemic transition with more sustainable alternatives and an increased role of public authorities to support the CCI.

Within this context, this report aims to give an overview of the most recent developments for key economic data for the CCI in the Brussels Capital Region in the eye of COVID-19 and give first insights into the level of diversity of CCI workers. This study aims to provide these new insights and give evidence and key data to hub.brussels that can support developing a successful strategy to approach the CCI in the future.

Methodology

To provide consistent data to the 2020 report and the analytics.brussels platform, we adopted the same methodological principles used in our previous study.⁸ The data was checked for consistency and robustness and the methodology adjusted to enable comparability. To provide the update study we used information about business entities extracted from Bel -first (a database on companies published by Bureau van Dijk - www.bvdinfo.com), which covers more than 1.2 million companies in Belgium, using 4-digit NACE codes (see below). The data was partially manually cleaned by deleting / filtering extorting data entities and adding entities and empty data fields through desk research that have been identified through the consultation process in accordance with hub.brussels. Empty data fields on numbers of employees, turnover and net added value were harmonized by applying extrapolations and the median values of the applicable years. For the analysis, other data variables were enriched with supplementary information, including data from IBSA / BISA and StatBel. The analysis took into consideration international comparability, the impact of COVID-19 and the implemented restrictions and relieve schemes in Brussels in 2019-2021. Findings presented in this report reflects data from 2021 (the last available year that provides enough detailed data for analysis at the time of the study at the end of 2022) if not otherwise indicated. The analysis, some of the data cleaning steps and the visualisation of the data was done in the software Tableau (<https://www.tableau.com/>).

⁷ See [https://www.europarl.europa.eu/RegData/etudes/STUD/2021/652242/IPOL_STU\(2021\)652242_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2021/652242/IPOL_STU(2021)652242_EN.pdf)

⁸ A detailed description about the methodology adopted and limitations can be found in the previous report "The economic impact of the cultural and creative sectors in the Brussels-Capital Region", pages 5-7 and Annexes 1-2 via <https://hub.brussels/en/study-the-cultural-and-creative-sector-in-brussels/>.

For the addendum study on the diversity of the CCIs workforce, available public data was consulted from two different sources.

- First, relevant data from the latest Labor Force Survey (LFS) from Statistics Belgium (StatBel) was consulted using the 4-digit NACE codes for the CCIs as identified in this study. The LFS is held every three months and provides data from a sample of 42,240 households with 83,686 individuals in Belgium. The data represents 2021.⁹
- Second, data from the online application of the Data Warehouse of Labour Market and Social Protection of the Crossroad bank Social Security (BCSS) was consulted to fill data gaps. The BCSS application¹⁰ makes it possible to request socio-economic statistics relating to the population registered in the labour market and social protection data warehouse. The data was extracted for Q4 2020 (and Q4 2019) and represents the total population of employed persons in the databank, who live in Brussels. We applied the identified NACE codes of the CCIs on a 3-digit level and therefore less granular data is available (representing a total of 33,847 people working in the CCIs in Brussels).

The CCIs are delineated through applicable 4-digit NACE codes (economic activity classification codes), which have been identified through consultation with hub.brussels, which led to the identification of ten CCIs sectors (see Annex 1 for the full list of NACE codes used in the study):

- audio-visual;
- software & gaming;
- music, performing & visual arts;
- books & press;
- advertising & marketing;
- design & designer fashion;
- cultural, arts & heritage;
- organisation of events;
- architecture;
- photography.

Please note, that the here-presented findings are mere estimations of the overall population and economic impact. The methodological approach followed a logic of prudence presenting numbers rather at the lower end taking into consideration the data limitations and data availabilities of the different data sources. A detailed description of the methodology, limitations and data cleaning steps are available upon request via marlen.komorowski@vub.be.

⁹ Special thanks to Erik Vloeberghs who supported communication around data access and Ellen Quintelier for compiling the data from the LFS at Statbel.

¹⁰ <https://www.bcass.fgov.be>

The impact of COVID-19 on the CCIs in Brussels

Various studies have highlighted that COVID-19 and national lockdowns have hit the Cultural and Creative Industries (CCIs) particularly hard in comparison to other sectors. A 2022 study of UNESCO¹¹ estimated that losses in revenue of the CCIs in 2020 ranged between approximately 20 to 40% across different countries. However, the impact of COVID-19 on the CCIs is highly dependent on the extent of governmental restrictions that were put into place and the impact and success of governmental support mechanisms in this context. The following data presents insights into the development of key economic indicators throughout the COVID-19 impacted years in Brussels.

1 The economic contribution of the CCIs

1.1 Key numbers: net added value & turnover

The analysis shows that the CCIs are still in 2021 an important part of Brussels' economy making important contributions to the generation of turnover in the region. Our preliminary estimations for 2021¹² show, that:

- The CCIs generated over 13,100 million EUR turnover; and
- 3,470 million EUR net added value.
- This is a contribution of about 3.9% to Brussels' economy.^{13 14}

1.2 Economic growth and the impact of COVID-19

In 2020 and 2021, economic activity in Brussels was strongly affected by the Covid-19 crisis. As a result, Brussels' GDP (Gross Domestic Product) is predicted to have fallen by 6.1% in 2020 (a similar rate as the EU average and across Belgium). After a sharp drop in economic activity in 2020, 2021 kept pace again with the recovery with the relaxation of the measures.¹⁵ The

¹¹ <https://unesdoc.unesco.org/ark:/48223/pf0000377863>

¹² It needs to be noted that the data for 2021 is preliminary as updates for the available data can be expected in 2023. Still, the numbers give first indications throughout the full 2-year impact of COVID-19 restrictions.

¹³ This is based on an estimation and projection for the total Gross Value Added (GVA) and Gross Domestic Product (GDP) of Brussels for 2021. Data for 2021 is not published for the total economy of Brussels at time of the study. Estimations were based on the data published by IBSA / BISA via <https://bisa.brussels/themas/economie/economische-activiteit> and https://bisa.brussels/sites/default/files/publication/documents/Panorama_2021_NL.pdf

¹⁴ For comparison, the wider creative economy contributes about 6% to global gross domestic product (GDP), averaging between 2% and 7% of national GDPs around the world. Source: <https://www.thepolicycircle.org/minibrief/the-creative-economy/>

¹⁵ https://bisa.brussels/sites/default/files/publication/documents/Panorama_2021_NL.pdf

development of the CCI in Brussels followed a similar pattern but the sectors were impacted almost double as hard compared to the total economy in 2020:

- The economic contribution of the CCI fell by 11.2% from 2019 to 2020 (compared to 6.1% across Brussels' economy).
- From 2020 to 2021, we can already see a clear recovery though an increase by 10.1%, which however, didn't bring the CCI yet to the same level as in the year before COVID-19.
- It can be expected however, that the sectors of the CCI can recover to stable growth levels by 2023-2026.
- The turnover of the CCI in Brussels followed very similar developments with a total loss in turnover by 12.5% and an increase by 2021 of 13.9% (see Fig.1).

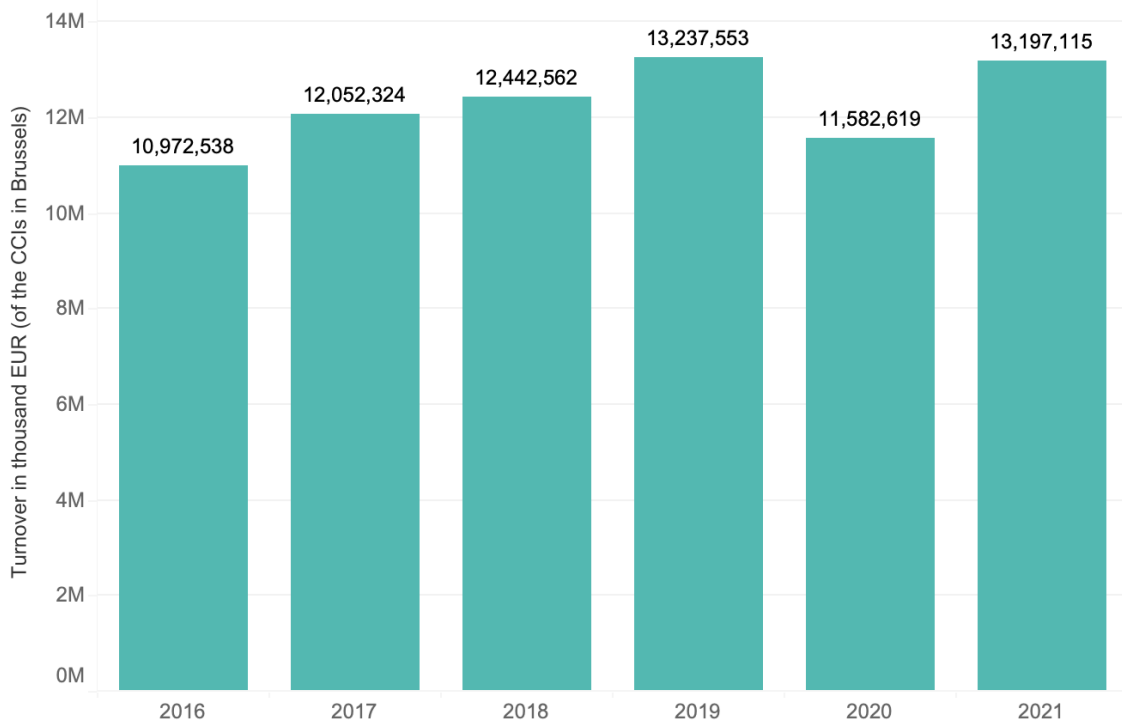


Fig. 1 – Growth of generated turnover of Brussels' CCI.

1.3 The impact of COVID-19 on different CCI sectors

Across the different sectors of the CCI, we can see clear differences in terms of loss in turnover in 2020 due to COVID-19 restrictions (see Fig. 2). The COVID-19 restrictions, which included the suspension of live shows, concerts, exhibitions, and events, seem to be the leading cause of the above-average impact on the CCI in Brussels. At the same time, the uptake of digital goods, like video games, can be seen in our estimations for 2020:

- The most impacted CCI sectors in Brussels are Organisation of events with a total loss of 23.5% in turnover. The sector also hasn't recovered at the same pace as other CCI sectors yet.
- Above average loss in turnover was also seen by the Culture arts & heritage sector as well as the Music, performing & visual arts sector with each losing more than 14% of their turnover in 2020.
- The least impact can be observed for the Software & gaming sector in Brussels (with only 3.5% loss of turnover in 2020).

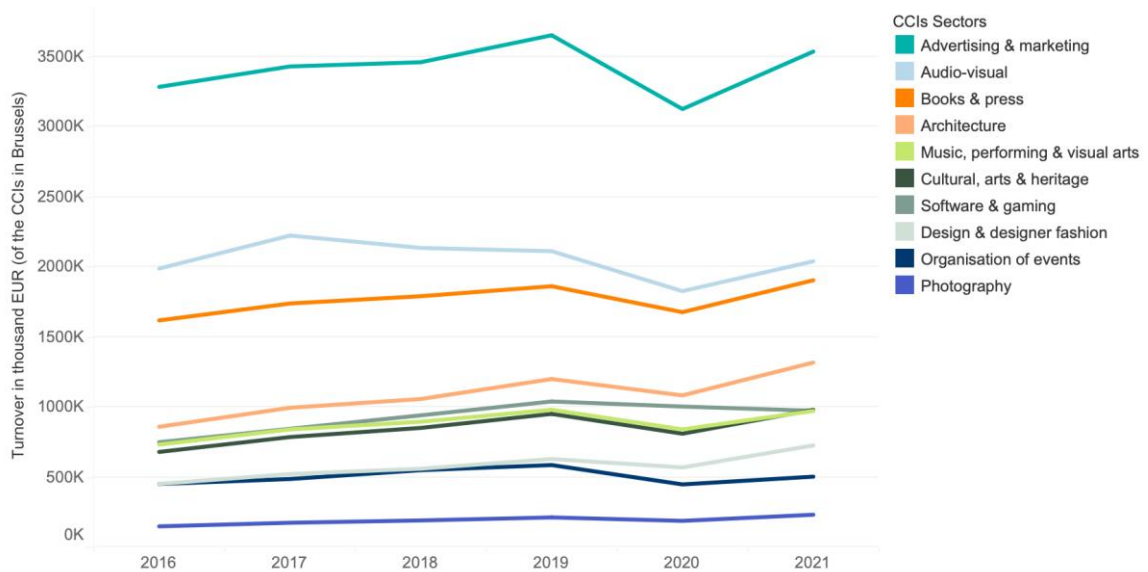


Fig. 2 – Growth of turnover per sector of the CCIs in Brussels.

1.4 Business characteristics and dynamism

Business dynamism is acknowledged as a key for creative destruction and to foster resource reallocation – both crucial elements of long-run economic growth. At the same time, research has already shown that COVID-19 has had a considerable impact on the entry of new firms into the market especially during the first lockdowns of early 2020. But the entry rate recovered already in 2020. At the same time, the drop in demand for certain services and goods induced by the COVID-19 crisis could have also translated into many corporate insolvencies. This can be especially the case for small and young firms, which don't have resources to cover longer periods of time of inactivity.¹⁶ Additionally, research has already shown that financial support to firms' liquidity and temporary changes to insolvency procedures have been effective in reducing

¹⁶ <https://cepr.org/voxeu/columns/tracking-business-dynamism-during-covid-19-pandemic-new-cross-country-evidence-and>

bankruptcies, on average, by more than 30% relative to the pre-pandemic period based on OECD data. Policy measures may have protected viable and productive firms and avoided the systemic risks posed by a wave of bankruptcies.¹⁷ Our data confirms these international observations (see also Fig.3):

- More than 22,000 firms have been active¹⁸ in 2022 and 21,000 of these are VAT liability companies.
- 96.3% of these are micro and small businesses and 2.9% are medium sized (only around 170 are large or very large enterprises) showing that the CCIs in Brussels shows the highest density of micro and small businesses in the economy.
- In 2020, more than 2,200 firms and freelancers started their business in the CCIs in Brussels (about 10% less entries compared to pre-COVID year 2019). The entry rate already recovered by 2021 to about 2,400 entries. This shows quite a resilience in the eye of COVID-19 of the sector in terms of market entries.
- At the same time, COVID-19 only had little impact on market exits in the CCIs. About 416 businesses went bankrupt in 2020 (little more than 2019).

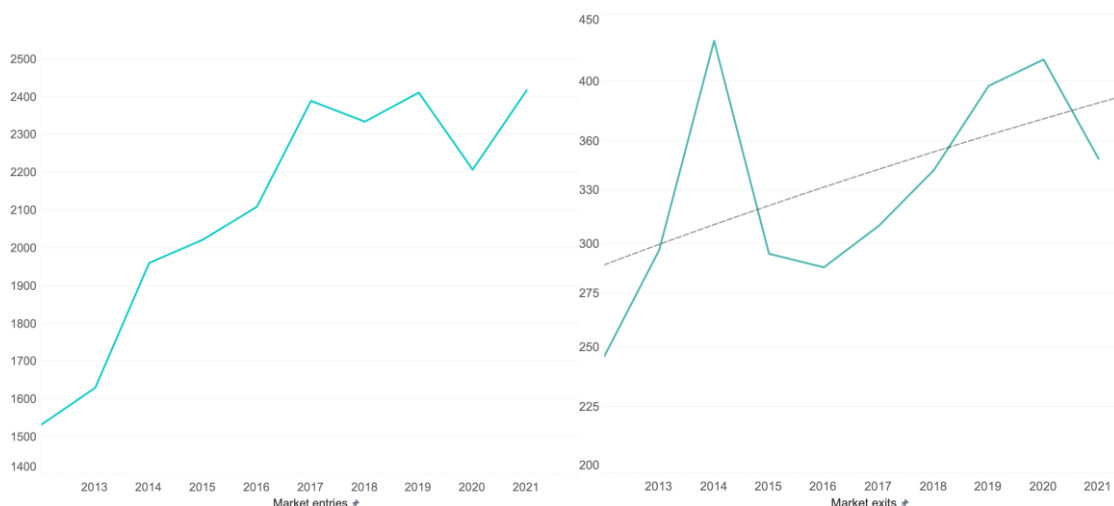


Fig.3 – Market entries and exits in the CCIs in Brussels.

¹⁷ <https://www.oecd.org/coronavirus/policy-responses/business-dynamism-during-the-covid-19-pandemic-which-policies-for-an-inclusive-recovery-f08af011/>

¹⁸ We needed to update our data from the report presenting data from 2019. The report estimated a total of 25,000 have been active as employers in the CCIs in Brussels. This measurement was based on an indicator in the Bel-first database that indicated entities to be in a “normal” situation. In this report we used the indicator “active” as more realistic.

2 Employment in the CCIs in Brussels

2.1 Key numbers: employers, employees & freelancers

The CCIs make an important contribution to Brussels' labour market. The CCIs are also after COVID-19 one of the largest employing sectors in the City Region. Our preliminary estimations¹⁹ show, that:

- Brussels is not only an important location for French-speaking (82.9%) but also for Flemish-speaking CCIs employers and freelancers (14.0%). There are also number of bi-lingual businesses (based on filing obligations in language).
- There are more than 100,000 people working in Brussels' CCIs (in 2021).
- Based on preliminary estimations for 2021²⁰, the CCIs make up about 15% of Brussels' total workforce.
- These enterprises employ about 84,000 employees (about 13% of all employees in Brussels).
- In addition, more than 17,000 people have worked as freelancers or sole traders in Brussels' CCIs in 2021 (about 19% of all self-employed in Brussels).
- Between 20-25% of the total workforce of the CCIs are working as freelancers (compared to only 10% across the whole working population in Brussels in 2021).²¹
- The highest shares of self-employed can be found in the Architecture (41.1% of the total workforce), Photography (39.7%) and Design & designer fashion sector (29.3%).

2.2 Employment growth and the impact of COVID-19

Across Brussels, we have seen that total employment was stable during COVID-19 thanks to support measures such as temporary unemployment and the "bridging right" measures. Further, due to the increase in public sector employment and an increase in the number of self-employed

¹⁹ It needs to be noted that the data for 2021 is preliminary as updates for the available data can be expected in 2023. Furthermore, we would like to highlight, that estimations from the 2020 study have been updated to reflect a more prudent approach to estimating the total number of employees in the CCIs. In the 2020 study, the total number of employees in Brussels' CCIs was 92,800 in 2018. The decrease in this study in comparison is not due to the impact of COVID-19 restrictions but are due because of the new harmonization and cleaning approach in this study, that allows comparability overall in development but also led to lower-end estimations. Still the total percentage of workforce remains the same compared to the study providing data from 2018. See <https://hub.brussels/en/study-the-cultural-and-creative-sector-in-brussels/>

²⁰ This is based on an estimation and projection for the labour market of Brussels for 2021. Data for 2021 is not published for the total economy of Brussels at time of the study. Estimations were based on the data published by IBSA / BISA via https://bisa.brussels/sites/default/files/publication/documents/Panorama_2021_NL.pdf and the NBB via: <https://stat.nbb.be/>

²¹ Data is based on the Labor Force Survey (LBS) provided by Statistics Belgium from 2021.

persons in Brussels, it is projected that losses in terms of jobs due to COVID-19 are mostly offset already in 2022 even though support measures have been stopped.²² Based on our estimations, this development of the overall labour market also reflects the employment and job situation in the CCI in Brussels, where we don't see a major impact in 2020 or 2021 so far (see Fig. 4). However, there are major sectoral differences, particularly in the Audio-visual sector and sectors related to events:

- Overall, the total workforce in Brussels' CCIs grew by 0.7% in 2020 and 1.1% in 2021 (this is below the average growth rate of previous years however).
- The strongest decline can be observed in the Audio-visual sector, where the workforce declined by 4.1% in 2020.
- The sectors Organization of events, Photography and Music, performing & visual arts all lost jobs in 2020 (about 0.2%) (and Organization of events even 4.6% in 2021).
- Also, the Books & press sector lost jobs.
- Still, overall, the support measures of the Government(s) seem to have enabled the CCIs to largely offset the impact on jobs in the sectors.

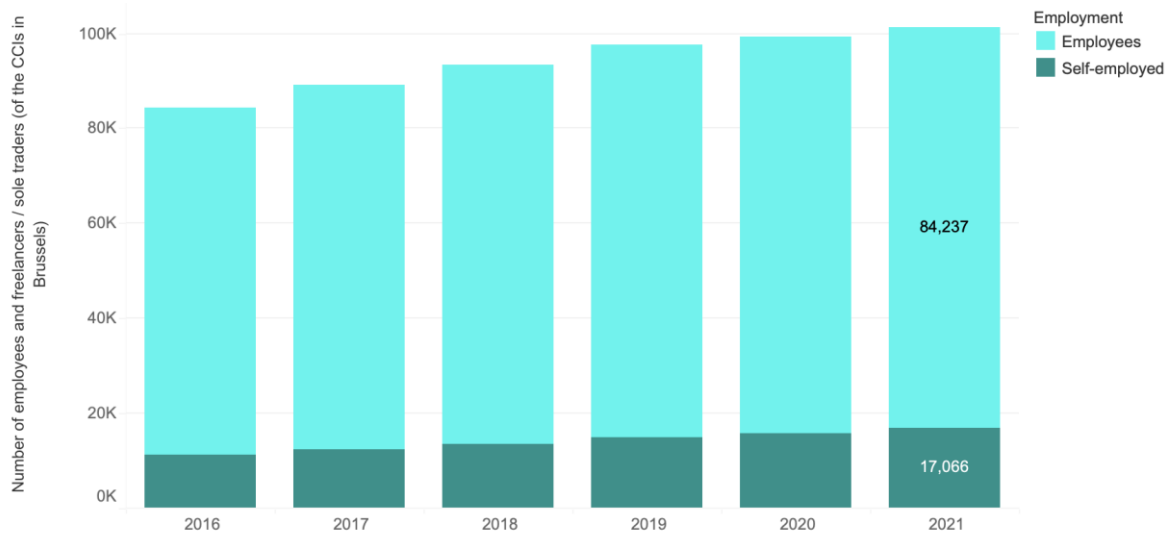


Fig. 4 – Growth of employment in the CCIs in Brussels.

²² https://bisa.brussels/sites/default/files/publication/documents/Panorama_2021_NL.pdf

2.3 Working conditions

Studies have highlighted the consequences of employment precarity through non-standard employment arrangements or job insecurity, both typical characteristics of employment and working conditions of freelancers in the CCI. Previous research has also found that job precarity also facilitated stronger impacts through COVID-19.²³ Based on our available data, we can underline the following findings for the CCIs in this context:

- As highlighted already above, the number of freelancers working in the CCIs is about double as high compared to the overall workforce, showing that there is a disproportionately large number of freelancers working in the CCIs.
- Based on data from StatBel we can find that in 2021 around 83.2% of people were working full-time and 16.8% part-time in the CCIs in the Brussels Capital Region (this is representative for the overall workforce).
- However, the income per month of people working in the CCIs in Brussels is 11% lower than the in the total working population earning about 2,146.7 EUR per month (based on mean income per month) (see Fig. 5).
- This is especially interesting considering, that StatBel data also shows, that people working in the CCIs have a higher educational background. 83.5% in the CCIs have a higher education degree (compared to only 65.6% in the total workforce in Brussels).

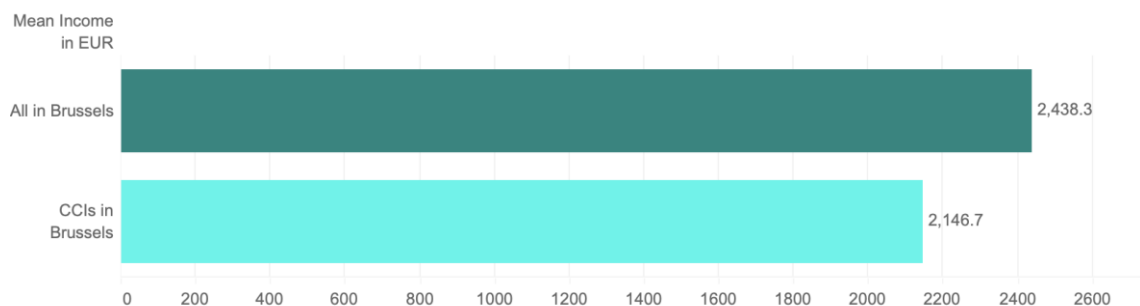


Fig. 5 – The mean income in the CCIs in Brussels.

²³ <https://journals.sagepub.com/doi/abs/10.1177/07308884221126415?journalCode=woxb>

The diversity of the CCIs workforce

Research has highlighted, that (cultural) diversity has a positive impact on companies. Companies with diverse teams benefit from more creativity and innovation and have access to more and diversified information and resources. This is even more relevant in the context of the CCIs.²⁴ Furthermore, research has shown that vulnerable groups have experienced above-average disruptions through COVID-19. Research on the European level highlighted, that people who were marginalised before the pandemic, were disproportionately impacted by the lockdowns and other measures that were put into place.²⁵ This was also associated with risks for workers' well-being. The following data presents first insights into the diversity of the CCIs workforce in Brussels. Our data is based on StatBel and BCSS public data sets.

3 Who works in the CCIs in Brussels

3.1 Gender and living situation

Based on the available data, we can identify a clear gender gap in the CCIs in Brussels. In the context of Covid-19 previous studies have highlighted, that especially women with caring responsibilities have been disproportionately impacted financially by the restrictions.²⁶ Our data shows:

- Based on data from StatBel, only about 40% of the workforce in Brussels' CCIs are women (see Fig. 6). In comparison, in the overall working population in Brussels, 47.3% are women.
- Additionally, based on data from BCSS, we estimate a gender pay gap of about 1% in the CCIs in 2020. The gender pay gap has changed in recent years. For all full-time employees in Belgium, the gap fell sharply from 4.1% in 2019 to 0.4% in 2020.²⁷ Even though there has been improvement, the gender pay gap in Brussels' CCIs is still more than double as high then for the overall working population.

²⁴ Nathan, M. and N. Lee (2013), 'Cultural Diversity, innovation, and entrepreneurship: firm-level evidence from London', *Economic Geography*, 89 (4), 367–94.

²⁵ <https://ec.europa.eu/research-and-innovation/en/horizon-magazine/how-vulnerable-groups-were-left-behind-pandemic-response>

²⁶ Komorowski, M. and Donnelly, S. (2022), ROAD TO RECOVERY? Cultural Freelancers Wales Report 2022. Cultural Freelancers Wales. Available via: <https://cfw.wales/recovery>

²⁷ <https://statbel.fgov.be/en/themes/work-training/wages-and-labourcost/overview-belgian-wages-and-salaries>

- One of the reasons could be the working arrangements in the CCIs. Based on BCSS data, women are double as likely to work part-time (about 22% of women in the CCIs) compared to men working in the CCIs (about 11%) in Brussels.
- In the CCIs, we can additionally find that 7.5% of workers live in a single parent household, and a further 33% live as couple with children. As mentioned above, caring responsibilities were a major driver for financial losses during COVID-19.

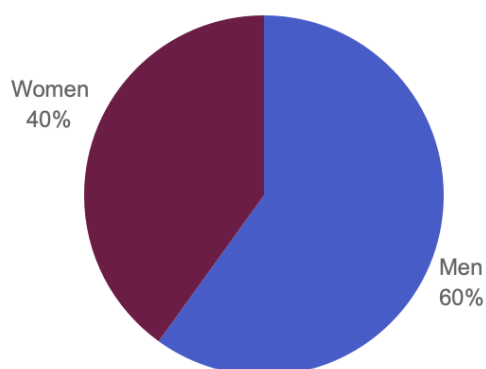


Fig. 6 – The gender distribution in the CCIs in Brussels.

3.2 National background

Our available data shows that the CCIs workforce in Brussels has a very diverse background:

- StatBel data shows, that 30.1% of all workers in the CCIs in Brussels don't have the Belgian Nationality (compared to 24.9% of the total workforce).
- Further, data from BCSS on the origin of a person²⁸ shows, that the majority of workers with a non-Belgium background come from neighbouring countries (28.5%), Southern Europe (19.4%), and the Maghreb countries (13.2%).

3.3 Age and health conditions

Data from BCSS gives further insights on the age of workers in the CCIs in Brussels and StatBel on current health conditions:

²⁸ BCSS takes into account the first nationality of the father, the mother and the person himself and the current nationality of the person himself. The first occurrence of foreign nationality counts as the person's origin. A person is of Belgian origin if he has four times the Belgian nationality.

- Brussels' CCIs workforce is very young. 80.2% is between 25-49 years old. 4.2% is 18-24 years old and 15.0% is 50-64 years old.²⁹
- Based on StatBel data, we can find that 91.8% of Brussels' CCIs workforce assess their health as very good or good (in comparison to 91.0% of the total workforce). 93.4% declare that they are not limited at all to work due to their health (compared to 92.8%). Taking into consideration that in 2021 COVID-19 still had a higher impact on health, we can identify considerable differences across health conditions of the CCIs workforce compared to the total workforce.

²⁹ BCSS also provides data on disability. The variable in the database indicates that a person is entitled to an integration allowance, an income replacement allowance or an allowance for assistance to the elderly. Due to very low number of registered people in the database in the CCIs (58 people in total) with this variable, no estimations or findings on disability could be reported here.

CONCLUSION

This report aimed to give an overview of the most recent developments for key economic data for the CCIs in the Brussels Capital Region in the eye of COVID-19 and give first insights into the level of diversity of CCIs workers. Our data showed that in 2021, the CCIs is still one of the biggest industries in the Capital Region contributing 3.9% to Brussels' economy. But the impact of COVID-19 has been immense:

- The CCIs have been impacted almost double as hard in its economic activities through COVID-19 measures as the Brussels' economy. Because of the suspension of live shows, concerts, film & TV production, exhibition and distribution, and sporting events CCIs sectors such as Organisation of events, Culture, arts & heritage and Music, performing & visual arts had immense losses.
- But after a sharp drop in economic activity in 2020, 2021 kept pace again with the recovery through the relaxation of the measures. We can expect that the CCIs can recover to stable growth levels by 2023-2026. But some sectors will be able to recover faster than others.
- We could similarly show that the financial support to firms' liquidity and temporary changes to insolvency procedures have been effective in reducing bankruptcies in the CCIs. Also, employment in the CCIs was stable during COVID-19 thanks to support actions such as temporary unemployment and the "bridging right" measures.
- But, the crisis has further highlighted the very vulnerable position of many workers in the CCIs. The share of freelancers in the CCIs in Brussels is about double as high as in the total workforce, a group of workers prone to precarious working conditions. This is also reflected through the low average income in the sectors.
- Furthermore, we identified a gender gap and a gender pay gap in the CCIs in Brussels. Women with caring responsibilities have been disproportionately impacted financially by the restrictions through COVID-19. At the same time, the CCIs show a higher diversity of the workforce with many foreign workers in the Capital Region.

In the eye of recovery from the COVID-19 pandemic as well as rising inflationary pressures and economic uncertainties in Brussels, the following recommendations for a future sustainable development path of the CCIs in the Brussels Capital Region can be made:

- The immense impact COVID-19 had on the CCIs shows that a more systemic transition of the CCIs is needed to make the different sectors and working conditions for the diverse workforce of the CCIs more resilient in times of crisis and sustainable for the future.

- This calls for an increased role of public authorities and organisations to support the CCIs.³⁰ The CCIs makes and important contribution to the local economy while growing job- and business- opportunities in the Brussels' Region. Policy mechanisms such as financial support, tax incentives, and grants to CCIs businesses and freelancers can help them overcome financial barriers and invest in their growth, which in turn can accelerate Brussels' economy. The positive impact the support mechanisms during COVID-19 restrictions, show the immense impact policy can have on the sectors of the CCIs.
- Our findings also showed that some sectors have been impacted considerably harder than others in Brussel's CCIs. Further support for businesses and freelancers in sectors, such as organisation of events, the performance and music sector is needed to enable them to catch-up to old growth paths. Such sectors are not only important for Brussels' economy but also build important assets for culture and social development in Brussels.
- Furthermore, Brussels' policy strategy towards CCIs should be built on existing strengths, which can accelerate growth throughout the creative sectors. Especially the audiovisual sector including TV and film production, has become a considerable strength of Brussels' CCIs. The existing strengths of the audiovisual sector shows promising opportunities to make Brussels' into an international hub for audiovisual production in the future.
- In an international context, we can find increased convergence and digitization of the CCIs. This process was quickened through COVID-19, which meant that many businesses had to move their activities online. To support this transition in a sustainable way, public authorities need to invest in education, training and collaboration in the CCIs. The fast-paced developments of the CCIs sectors means that workers need to be equipped with the skills to succeed in this environment.
- Finally, policymakers should promote diversity and inclusion in CCIs by providing support for underrepresented groups and ensuring that they have equal access to funding, training, and employment opportunities. Closing gender gaps and gender pay gaps is an important step forward to create truly inclusive CCIs in the capital. Boosting equality of opportunities for disadvantaged groups³¹ as well as building on the strength in terms of diversity of the CCIs workforce can create future growth for the sectors in Brussels.

³⁰ See also [https://www.europarl.europa.eu/RegData/etudes/STUD/2021/652242/IPOL_STU\(2021\)652242_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2021/652242/IPOL_STU(2021)652242_EN.pdf)

³¹ See also <https://www.oecd.org/belgium/belgium-must-continue-reforms-to-sustain-recovery-and-future-growth.htm>

ANNEX 1: NACE codes

List of NACE codes used in this study on a four-digit level.

NACE Code	Description	Sub-sector
1411	Manufacture of leather clothes	Design & designer fashion
1412	Manufacture of workwear	Design & designer fashion
1413	Manufacture of other outerwear	Design & designer fashion
1414	Manufacture of underwear	Design & designer fashion
1419	Manufacture of other wearing apparel and accessories	Design & designer fashion
1420	Manufacture of articles of fur	Design & designer fashion
1431	Manufacture of knitted and crocheted hosiery	Design & designer fashion
1439	Manufacture of other knitted and crocheted apparel	Design & designer fashion
1511	Tanning and dressing of leather, dressing and dyeing of fur	Design & designer fashion
1512	Manufacture of luggage, handbags and the like, ...	Design & designer fashion
1520	Manufacture of footwear	Design & designer fashion
1811	Printing of newspapers	Books & press
1812	Other printing	Books & press
1813	Prepress and pre-media	Books & press
1814	Binding and related services	Books & press
1820	Reproduction of recorded media	Audio-visual
3109	Manufacture of other furniture	Design & designer fashion
3212	Manufacturing of gems and jewellery	Design & designer fashion
3213	Manufacture of imitation jewellery and related articles	Design & designer fashion
3220	Manufacture of musical instruments	Music, performing & visual arts
3240	Manufacture of games and toys	Design & designer fashion
4761	Retail sale of books in specialized stores	Books & press
4762	Retail sale of newspapers and stationery ...	Books & press
4763	Retail sale of audio and video recordings ...	Audio-visual
5811	Book publishing	Books & press
5812	Publishing of directories and mailing lists	Books & press
5813	Publishing of newspapers	Books & press
5814	Publishing of journals	Books & press
5819	Other publishing	Books & press
5821	Publishing of computer games	Software & gaming
5829	Other software publishing	Software & gaming
5911	Motion picture, video and television programs	Audio-visual
5912	Activities related to films, video and television program post-production	Audio-visual
5913	Distribution of films and video and television programs	Audio-visual
5914	Screening of films	Audio-visual
5920	Sound recording and music publishing	Music, performing & visual arts
6010	Broadcasting of radio programs	Audio-visual
6020	Programming and broadcasting of television programs	Audio-visual
6201	Design and programming of computer programs	Software & gaming
6391	News agencies	Books & press
7021	Public relations and communication services	Advertising & marketing
7111	Architectural activities	Architecture
7311	Advertising	Advertising & marketing
7312	Media representation	Advertising & marketing
7410	Specialised design activities	Design & designer fashion
7420	Photographic activities	Photography
7430	Translation and interpretation activities	Books & press
7722	Rental of video tapes, DVDs and CDs	Audio-visual
8230	Organisation of conventions and trade shows	Organisation of events
8552	Cultural education	Cultural, arts & heritage
9001	Performing arts	Music, performing & visual arts
9002	Support activities to performing arts	Music, performing & visual arts
9003	Artistic creation	Cultural, arts & heritage
9004	Operation of arts facilities	Cultural, arts & heritage
9101	Library and archive activities	Cultural, arts & heritage
9102	Museum activities	Cultural, arts & heritage
9103	Operation of historical sites and buildings and similar	Cultural, arts & heritage
9321	Activities of amusement parks and theme parks (except 93210, 93291, 93211)	Cultural, arts & heritage
9329	Other amusement and recreation	Cultural, arts & heritage

ANNEX 2: About the Study

This study was conducted by the research centre SMIT at Vrije Universiteit Brussels. The research was produced with the financial support of hub.brussels.

About SMIT, Vrije Universiteit Brussel

The SMIT (Studies on Media, Innovation and Technology) research group was established in 1990 at the Vrije Universiteit Brussel and is also part of imec. SMIT specializes in social science research in the field of media, creative industries, and ICT, with an emphasis on innovation, policy, and socio-economic issues. Methodologically, SMIT combines user research, policy analysis and business modelling, with the use of both quantitative and qualitative methods. SMIT has extensive experience and expertise in policy preparation and evaluation research, and more specifically with impact analysis with the broad creative sector (civil society, culture sector, media players, governments, etc.). This study was conducted within the Media Economics & Policy Unit of SMIT. It consists of 15 junior and senior researchers specialized in market, policy, and user research in various research areas within the creative industries (mapping, impact assessments, stakeholder surveys, user tests, cultural participation survey).

Find out more about SMIT via <http://smit.vub.ac.be/>

About the author

Dr. Marlen Komorowski is senior researcher at the research centre imec-SMIT-VUB in Brussels and Professor at the VUB for European Media Markets in the Communication Sciences International Masters programme. She is also working as Senior Research Fellow at Cardiff University on the [Media Cymru programme](#), a five-year R&D programme for the media industry in the Cardiff Capital Region. Marlen finished her PhD in September 2019 at VUB. The dissertation has the title “Agglomerating media activities in the city: Media cluster development in Brussels and beyond”. As a researcher, her work focuses on media and creative industries-related projects, impact analysis, industry clustering, ecosystem and value network analysis, new business models and the impact of the digitisation on industries and firms. She has developed an expertise on Brussels’ media and creative industries in the last 5 years. She published relevant articles in that context in renowned international, scientific journals.

Find out more via <https://researchportal.vub.be/en/persons/marlen-komorowski/publications/>