Klaipėda, Lithuania

About the area

The territory of the Republic of Lithuania is divided into ten administrative units – counties. Since 2018, these counties have been grouped into two larger regions; the Vilnius Capital Region, and the Central and Western Lithuania region, which contains Klaipėda County.

Klaipėda county is the country's third-smallest territory geographically (5 222 km2) but houses the third-largest population (319 958 inhabitants in 2020). Klaipėda also has a comparatively high population density, third after Vilnius and Kaunas counties. The county encompasses seven municipalities and hosts several large cities. Klaipėda city houses Lithuania's only major seaport, the Northernmost ice-free port on the Eastern coast of the Baltic Sea.

Up to 45% of added value created in Klaipėda county is produced by traditional sectors of logistics and manufacturing industry, which take advantage of the beneficial status of Klaipėda's seaport (Klaipėda City Administrative Division, 2017[6]). Tourism is another significant sector for the county, with areas like Palanga, and Neringa being major tourist destinations. As specified in Klaipėda Region's Development Plan for 2014-2020, the region's strengths include a beneficial geographical position, physical infrastructure, abundant natural resources (including wind energy), well-developed social and educational infrastructure, budding recreational services and a rich cultural heritage (Klaipėda Region, 2013[7]).

History of CCS policy in the county

At the national level, CCS policy began to be formalised in around 2007, with the publication of The Strategy for the Promotion and Development of Creative Industries document. Since then, policy support for CCS has come from both the Ministry of Culture and the Ministry of Economy, indicating the growing status of CCS in addressing both cultural and economic priorities.

In 2011, the 2012-20 Programme for the Development of Regional Culture established key priority areas for regional cultural development and set out to create conditions for cultural access and dissemination by making the regions more attractive for local communities, investors and tourism. While Lithuania has strong policy support for CCS, territorial level policy also plays an important role in supporting the sector.

For example, the preservation and development of local culture are also among the responsibilities of municipal administrations, such as Klaipėda City, Palanga, and Neringa. At the local level, the Klaipėda Integrated Action Plan 2018-2020, includes fostering CCS as one of its key priorities. The creative and service economy, also features as one of four strategic growth areas in the *Klaipėda 2030: Vision, Development Scenario and Strategic Directions* (Klaipėda City Administrative Division, 2017[6]).

Cultural participation

According to the *Participation in Culture and Satisfaction with Cultural Services in Lithuania* survey, in 2020, 45% of the Lithuanian population actively participated in cultural activities (such as, singing, painting, sculpting or film making) and 88% engaged in passive cultural participation (such as attending, exhibitions, museums, cultural heritage sites, cinemas, or read books) (The Lithuanian Council for Culture, 2021[8]).

Data suggests cultural access has improved in Lithuania. Compared to 2017, in 2020, the overall culture accessibility indicator increased. A statistically significant increase of the indicator is observed in the fields

of performing arts, museums and galleries, cultural monuments and archaeological sites, and books and periodicals. When comparing different regions, Klaipėda County was found among those counties in which the number of people who are willing to participate in cultural activities is comparatively higher, which presents an opportunity to further enhance the offer and accessibility of cultural services.

Klaipėda county has a vibrant cultural offering. For example, Klaipėda city houses eight municipal cultural institutions. These include the Klaipėda Concert Hall, the History Museum of Lithuania Minor, the culture centre "Žvejų rūmai", the Klaipėda Cultural Communication Centre, the Klaipėda City Public Library, the City Centre of Ethnic Culture, the Centre for Ethnic Cultures and the "Festivals of Klaipėda" public institution. In the city of Palanga, a number of high profile periodic cultural events contribute to Palanga's reputation as a national and regional cultural centre: the international music festival of M. K. Čiurlionis, the international brass music festival "Amber Wind", and the arts festival for children "Dwarf of Kurhaus". Moreover, the area of Neringa, which was already a UNESCO World Heritage Site because of its outstanding natural beauty, was awarded the status of 2021 Lithuanian capital of culture, recognising the unique cultural space of this region.

Jobs and skills

CCS represent a growing share of employment in Lithuania. In 2020, people working in the cultural and creative sectors in Lithuania accounted for around 4% of those in employment (higher than the EU average of 3.6%). Compared to the EU average, in Lithuania those working in the cultural sector per inhabitant is higher. CCS employment experienced a steady growth in Lithuania from 2011 to 2020, increasing by 18.2% over this time period.

Those working in CCS are distributed unevenly across cultural and creative professions in Lithuania relative to EU peers. Those working in library archives, museums and other cultural activities account for some 17% of the total cultural and creative workforce in Lithuania, while these subsectors represent over 7% of total cultural and creative employment in the EU.

Cultural and creative employment is concentrated in certain demographic categories. In Lithuania, the share of women employed in the cultural sector is significantly above the EU average. In the country, 60% of cultural and creative workers are women, while 52% are men across the EU (average). Youth aged 20 to 29 represent 13.9% of cultural and creative workers in Lithuania, compared to the EU average of 16.43%. Those aged 30 to 39 years old, however, represent 28.2% of those employed in the cultural sector in Lithuania compared to 25% across the EU. Lithuania also counts a significantly larger share of those aged 65 and over in the cultural sectors (7.24%), compared to the EU average of 4.14%. Finally, to a greater extent than the EU average, those with tertiary education drive cultural and creative employment, representing 69% of cultural and creative workers, relative to 59% in the EU.

Entrepreneurship and business support

Between 2017 and 2021, the total number of CCS enterprises in Klaipėda County increased by 2.9% (these estimates are based on a slightly different definition of CCS making direct comparison with other countries difficult). Growth was strongest in information service activities with an increase of 23.5%. The highest decrease in the number of enterprises, meanwhile, occurred in motion picture, video and other media publishing activities, which decreased by 11.1%.

In 2019, cultural and creative sectors created over EUR 1 billion in value added in Lithuania. It is estimated that Klaipėda County creates approximately 6% of all Lithuania's value added in cultural and creative sectors. Publishing activities and advertising and market research were particularly high contributors of

value added in Klaipėda County before the pandemic. However, creative arts and entertainment activities also represented a significant proportion of value added.

Entrepreneurship and business support for CCS in the county has accelerated in recent years. For example, "Kulturosfabrikas" or the culture factory, is a creative hub based in Klaipėda City. The hub offers co-working spaces, events, workshops, and studio and gallery spaces. It also acts as an incubation centre, offering advice and support to local creative businesses, freelancers and artists. The hub aims to promote entrepreneurship and innovation by combining art and business initiatives. Other initiatives, such as the artist residency Nida Art Colony in Neringa, have been developed specifically to broaden opportunities for CCS businesses and artists in the "off season", where the region has fewer tourists.

Accesses to finance

Financing for Lithuania's cultural sector is driven by public sources, though a private ecosystem is beginning to emerge. In 2019, Lithuania had one of the highest shares of government spending on cultural services of OECD countries, with 1.6% of total government spending dedicated to this category (compared to 1.2 of OECD average). In contrast to the trend we see across OECD countries, this share has increased from 2011, when it stood at 1.1%. Lithuania also has one of the highest sub-national government spends on cultural services of OECD countries, with cultural services representing slightly over 4% of subnational spending (compared to 3% of OECD average).

The national government has also enacted a number of tax relief policies either directly targeted towards CCS, or of which CCS can benefit. For example, the film tax relief scheme aimed at attracting funding for film production from private business entities, offers tax incentives of up to 30% of a film's production budget spent in Lithuania. The law on charity and sponsorship similarly aims at fostering private support for a range of recipients of charity, including artists and cultural organisations. The law allows individual taxpayers to allocate 1.2% of their income tax to any legal entity that has the status of recipient of charity, which, since 2017 includes artists and other creators. The law on patronage also provides tax incentives for individuals and corporations to encourage private spending. According to the State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania, around 6.4% of private sponsorship from enterprises are allocated to the cultural sector.

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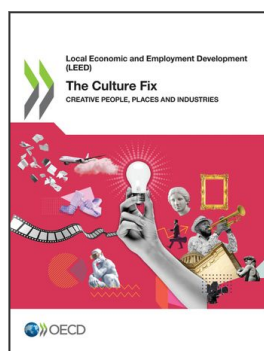
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