Council of the European Union

Brussels, 19 April 2024
(OR. en)

8643/24

CULT 39
AUDIO 52
RECH 169
DIGIT 116
PI 50
SOC 280
IND 219
PROCIV 23
DATAPROTECT 179
CYBER 126

NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
Subject:	Future-proofing the cultural and creative sectors in the age of Artificial Intelligence - *Policy debate*

Following consultation of the members of the Cultural Affairs Committee, the Presidency has prepared the attached background document, which is submitted as a basis for the policy debate at the Education, Youth, Culture and Sport Council meeting of 13 - 14 May 2024.

ANNEX

EYCS Council meeting (Brussels, 13-14 May 2024)

Culture Ministers policy debate on 14 May 2024

Future-proofing the Cultural and Creative Sectors in the age of Artificial Intelligence

1. Introduction

Advanced technologies such as artificial intelligence (AI) have rapidly progressed and become increasingly prevalent in various aspects of our lives. In recent times, there has been a surge in interest in and use of AI technologies in a variety of sectors, including the cultural and creative sectors (CCS), thereby demonstrating their potential to become a transformative force.

AI has the potential to impact cultural expression and diversity by providing new opportunities for cultural expression through the creation of new types of content and experiences, as well as business processes. By learning from vast amounts of creative data, AI can contribute to producing music, art, design, literature, and other creative outputs. AI can also help produce a stronger CCS by unlocking new innovative business models. AI can streamline processes, reduce costs, and increase efficiency[1]. It can also promote better access to culture by enabling cultural organisations to reach and engage with diverse and new audiences more effectively through personalised and inclusive experiences, thus fostering greater cultural participation.

[1] See https://digital-strategy.ec.europa.eu/en/library/study-opportunities-and-challenges-artificial-intelligence-ai-technologies-cultural-and-creative

While AI presents significant opportunities for the CCS, it also carries inherent risks, including biases in algorithmic decision-making, the potential for cultural homogenisation, challenges in ensuring transparency, and complexities surrounding copyright and intellectual property rights. These risks show the importance of addressing key challenges in order to harness AI's potential effectively within the CCS. Key obstacles, particularly for smaller players in the CCS, are preventing the CCS from fully understanding and capitalising on the opportunities offered by AI. They include a lack of skills and training, and insufficient cross-sectoral collaboration. Due to the fragmentation of the sector, the skills needs vary from one sub-sector to another, with more advanced technological skills required in some while basic skills are still missing in others.

In response to these challenges, the Belgian Presidency of the Council of the EU invites the Ministers of Culture to address these two critical areas in this policy debate, so that the CCS can fully leverage AI's potential. While fully acknowledging the economic impact of copyright[2], this paper deliberately focuses on these two complementary areas as a means of empowering the CCS.

2. Key challenges to address in order to unlock the potential of AI for the CCS

AI- and big data-based startups are particularly common in the CCS in comparison with other sectors of activity[3]. At the same time, the CCS have difficulties making full use of AI owing to skills gaps and insufficient collaboration. Without proper training and cross-sectoral cooperation, integrating AI tools becomes difficult, thereby limiting innovation. Addressing these barriers is crucial if the CCS is to leverage AI effectively and access its benefits.

[2] The EU copyright framework provides clear rules on the use of creative content as input for AI models. The AI Act will facilitate the enforcement of these rules and introduce more transparency on training data. It remains important to monitor market developments in order to ensure the protection and remuneration of creators.

[3] 2024 Annual Single Market Report SWD(2024)77

a) Promoting skills development and training

CCS are some of the sectors with the highest digital skills gaps[4]. It is a significant challenge for organisations across the CCS to acquire the right skills. While proficiency in advanced technical skills may not be essential for all cultural professionals, they must be able to grasp and leverage the potential of AI in their fields. The skills gap often stems from a limited awareness of AI's capabilities within the CCS and in related education institutions, thus leading to fewer applications of AI in creative settings.

By investing in AI-related skills development and training, policymakers and sector players can foster a vibrant ecosystem of creativity-driven innovation powered by AI. Professionals in the CCS need to enhance their knowledge of why and how they can use AI technologies to enrich and support their work, while AI developers require a deeper understanding of the specific dynamics and needs within the CCS to develop effective solutions. The skills for the CCS could include making digital content, programming, developing and interacting with digital technologies and platforms, training on use and exchange of data, project engineering and change management, and ethical and sustainable use of AI and advanced data technologies.

While formal academic education is beneficial for developing AI strategies, empowering existing CCS talent can accelerate the design of AI tools tailored to the CCS and the adoption of AI technology by the sector. Retraining the current workforce and equipping it with the skills needed to design and use suitable AI technologies can help address the scarcity of technical skills in the CCS. However, creative individuals often face challenges with accessing training due to the nature of their employment contracts and the availability of training programmes tailored to their needs. This shows the need for tailored skills development pathways for CCS professionals.

[4] Idem

The EU has recognised the need to support training and skills development in digital technologies, through programmes such as the Creative Europe programme, Digital Europe and the Digital Skills and Jobs Platform. Initiatives include supporting research by bodies such as the European Cultural and Creative Sectors and Industries Policy Platform (EKIP), the Cultural Heritage Cloud, the skills data space and the EIT Culture & Creativity. Furthermore, various countries have made use of the Recovery and Resilience Facility to support digital capacity building. However, given the shortage of relevant technology skills in the CCS, the challenge remains to equip professionals with training, tools and methods that can benefit Europe's CCS.

b) Promoting sustainable cross-sectoral collaboration

To ensure that AI solutions meet the needs of the CCS, it is necessary to involve CCS professionals throughout the development and implementation process. On the one hand, CCS professionals often lack awareness of the potential of AI, in-house capabilities and finances to develop their own AI systems and tools. On the other hand, AI developers may not fully understand the evolving needs of the CCS. Bridging this gap requires closer collaboration between cultural and creative professionals and technology developers.

While some collaboration exists, the CCS is not always the priority market for AI developers and private sector players due to its perceived lack of profitability. AI startups need to be given incentives to develop solutions with and for CCS. Governments may need to create conditions conducive to facilitating partnerships between CCS and firms and academics specialised in AI where these are needed. This can include the creation of incubators, festivals, sandboxes or more formal sector-wide structures in which solutions can be developed and fair deals can be negotiated with AI developers.

Moreover, AI adoption varies across different CCS and some sectors, such as libraries, the book sector, the music industry, fashion design, or the video games sector, are adapting better. Promoting transversal collaboration, best practice exchange and knowledge transfer between different CCS sub-sectors and/or with other sectors, and providing support for talent exchange initiatives, such as internships, mentoring programmes, or 'artist in residence' schemes, can facilitate knowledge transfer and innovation. Learning from organisations and sectors within the CCS that are more advanced in AI adoption can be beneficial for those slower to adapt.

In short, promoting partnerships between CCS, technological businesses and innovation institutions, and encouraging experts with diverse skills from both cultural and technological backgrounds to collaborate, can generate culturally diverse and technologically advanced innovative solutions.[5]

Within the EU, there are several programmes that can fund AI-driven innovation in the CCS and that help sectors collaborate. These include the Creative Europe programme (through cooperation projects under the Culture strand or the Innovation Labs under the cross-sectoral strand), and the Horizon Europe programme, which can include AI research and innovation projects with direct involvement of the CCS within its Cluster 2 (Culture, Creativity and Inclusive Societies) and other clusters. In addition, the AI Innovation Package includes support for generative AI and virtual worlds. However, access to these funds remains a significant challenge for creative and cultural sector players, especially SMEs. There is a shortage of funding available to support the CCS with their processes, and a lack of suitable funding options to promote experimentation between CCS players and the AI tech sector.

[5] The Horizon Europe strategic plan 2025-2027 clearly highlights AI developments as a priority for research and innovation and encourages strong cross-sectoral collaboration.

Securing funding and encouraging public and private investment in cross-sectoral collaborative projects is essential, both at national and EU level, in order to support research, development, creation and implementation efforts that contribute to the development of a robust European AI tech startup ecosystem that takes into account cultural diversity and the unique needs of the CCS. At all levels, greater attention needs to be paid to the links between AI and the cultural and creative sectors. Collaboration between AI experts, artists and cultural and creative professionals, and interdisciplinary approaches, can help harness the potential of AI for the cultural and creative sectors within the broader EU policy framework.

3. Questions for the debate

The Culture Ministers' policy debate invites Ministers to explore ways and share insights on how to support the CCS with their AI endeavours, focusing on the areas where more concerted action by policymakers is needed. This could entail considering which initiatives at the EU and regional/national levels are needed to enhance skills development and promote cross-sectoral collaboration aimed at helping the CCS unlock AI's potential.

On the basis of the above considerations, the Presidency invites Ministers to focus their interventions on the following questions:

1. In your country, how does the government support the CCS with developing and using AI technologies, particularly through skills development and cross-sectoral collaboration? Which key lesson would you draw?

2. Given the rapid technological developments and the increased prominence of AI, how can EU policy (including the EU Work Plan for Culture 2023-2026) and programmes meet the CCS' need to grasp the potential of AI?