



# THE WIDER BENEFITS OF INVESTMENT IN CULTURAL HERITAGE

Case studies  
in Bosnia and Herzegovina and Serbia



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## Preface

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**T**hroughout the Ljubljana Process: Rehabilitating our Common Heritage, the numerous activities of the European Union and the Council of Europe have provided solid evidence from several sites in the participating countries in South-East Europe of the direct economic and social benefits of investing in cultural heritage.

The collection of precise data on the indirect benefits for local communities has been more challenging, and their absence so far has made it more difficult to show politicians, funders and investors how the Ljubljana Process's approach is delivering on some of its core objectives. Such data might include the extent to which rehabilitation has stimulated local economies through increases in employment or number of visitors, how local infrastructure has been improved, how the quality of life in communities has been enhanced, how returnees have been encouraged and how reconciliation has been stimulated.

Thanks to our partnership with the London School of Economics and Political Science and its admirable work carried out as part of this study, the existing assessment methodologies have been updated and tested in order to better embrace the complex and integrated dimensions of the social and economic values of heritage, in particular the benefits that investing in heritage can bring to society.

The case studies in this publication present findings that can be extended to other South-East European countries and should prove useful in consolidating and disseminating the Ljubljana Process principles in the region. I hope the ideas contained in this publication will also contribute to correct identification of the value of heritage for our societies.

I would like to extend my thanks to the authors and to all the experts and specialists who have participated in the case studies.

Snežana Samardžić-Marković  
*Director General of Democracy, Council of Europe*



# Executive summary

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**T**his book details the findings of a study of investments in cultural heritage sites in Bosnia and Herzegovina, and Serbia within the framework of the European Union and Council of Europe programme Ljubljana Process II: Rehabilitating our Common Heritage (2011-14), managed by the Regional Co-operation Council's Task Force for Culture and Society. The chapters on each country set out the key issues identified during analysis of the policies and legislative frameworks in the two countries. Evidence on the nature of investment in cultural heritage in the two countries was obtained through interviews with key stakeholders involved with three case-study cultural heritage sites in each country. Two specially designed pilot surveys, one for the local communities connected to the three sites and one for visitors to them, provided evidence on the wider benefits of investment in cultural heritage in the two countries.

## **Legal and administrative weaknesses**

Bosnia and Herzegovina and Serbia have similar problems with government responsibility for cultural heritage due to ambiguity in laws and their implementation. Government institutions suffer from high levels of staff turnover, causing loss of institutional memory. The lack of coherent national policies has impeded co-operation between institutions and limited the level of administrative capacity. Diffused systems of inspection and enforcement have made it difficult to enforce relevant laws and regulations in both countries. Outdated legislation has led to a failure to implement international cultural heritage conventions.

## **Severe co-ordination issues**

In both countries, lack of co-ordination has led to overlapping funds, under-utilisation of allocated resources and slow development of infrastructure and promotional capacities, which reduces the effectiveness of cultural heritage investment. The lack of co-ordination between institutions responsible for the protection, reconstruction and promotion of monuments is an obstacle to ensuring sufficient expenditure on maintenance. In spite of the lack of official mechanisms for co-operation and co-ordination between various levels of government, both countries manage to progress because of the goodwill of individuals and the social networks that have developed between them.

## Awareness

Local communities are well aware of nearby cultural heritage sites and their importance, and express pride in them, though such awareness varies depending on the location and visibility of the site. However, overall low levels of awareness of investment in the cultural heritage sites remain to be addressed through greater promotion. People visit their local cultural heritage sites to varying degrees, in some cases quite frequently. People are generally aware of the existence and importance of the sites close to them, and see them as important cultural assets. However, some sites are visited more rarely, and in such cases the local community is less aware of investment in them. They recognise the contribution of these sites to tourism, but see them as less relevant for other types of economic development. Local communities would like to see improved visitor facilities at their local cultural heritage sites. Most people believe that the costs of such improvements should be paid for by both increased visitor charges and greater investment by local and central government. In both countries, local communities believe more funding should be obtained from national governments than from municipal governments.

The level of awareness of cultural heritage as an asset for economic and social development by local stakeholders is low in both countries. Many cultural heritage sites experience a severe lack of infrastructure, ranging from a lack of signage and interpretation materials, to a lack of visitor facilities and income generators such as cafes and souvenir shops. This not only reduces potential awareness of sites and hinders access, but also results in a failure to fully utilise the potential of sites for the local economy. The lack of awareness within communities has also led to vandalism of some recently rehabilitated sites, thus undoing the positive effects of investment. Investment in cultural heritage is often seen only as an expense because there is little understanding of the wider social and economic benefits of investment in cultural heritage for local communities through job creation and increased commerce. Raising this awareness could spur local-level investment in sites, thus feeding back into increased local awareness and social significance attached to the sites.

## The case studies

The six case-study sites are all important heritage sites with large requirements for investment. Although the investments already made have improved their physical condition, most of the sites require more work. The Ljubljana Process II did not directly result in investment in all the heritage sites examined, but many local actors were aware of the process and adopted many of its priorities, so even if sites were not on the priority intervention list set up during the Ljubljana Process II, it was nevertheless a powerful indirect influence. Investments to date in these heritage sites have focused on arresting deterioration, reversing damage (particularly in the case of Sarajevo City Hall) and improving facilities for visitors. This is clearly a necessary condition for generating benefits for the area and for the region's culture. What has been achieved is a major success in the face of difficult circumstances.

Investment has improved the condition of sites and provided facilities for visitors. However, additional investments in improving roads, providing toilets and building souvenir shops have often been seen as secondary to the core goal of repairing heritage assets. Such investments are often necessary to increase visitor numbers and the economic viability of cultural heritage sites. Improved infrastructure and connections to urban centres can increase site utilisation and the sense of connection between communities and sites, but improvements to a heritage site may be under-appreciated, so prominent signs or local media advertisements are advised.

How far can site improvements and facilities support the provision of other services, such as community services or children's educational experiences? These possibilities can usually only be

developed once a site has been improved and basic services provided, so they are often not recognised immediately. However, some sites could support other valuable local services. Instead of a short-term approach to marketing, with cheap imported goods being sold as souvenirs to tourists, more support should be provided to local traders to encourage and enable them to sell their wares, thus increasing employment and overall income in the community.

All of the sites reported in this book do attract at least some tourists. Most visitors are tourists from elsewhere in the country or from abroad. Most people visit a cultural heritage site out of a general interest in the area or the history, or a specific interest in the site itself. The main source of information that encourages people to visit a site is a recommendation from a friend or relative. Also important in encouraging and stimulating visitors to a cultural heritage site is a good online website that provides engaging information; printed media have little influence on visitor numbers.

The fees currently charged are low (from €0.30 to just a few euros), and at most sites visitors stated that they would be prepared to pay more. There is an argument for increasing the fees charged to visitors in order to raise funds for investment in facilities, with appropriate discounts for families, children and people with disabilities. Accommodation for visitors is lacking at a number of sites, but this is naturally an important element in a visitor's decision to make a longer stay in the locality. Few visitors wish to go shopping when visiting cultural heritage attractions. However, many want to eat in restaurants and visit other cultural heritage sites, suggesting that cross-promotion between sites may be a good way to attract further visitors and increase the number of overnight stays within municipalities.

## **Other aspects**

Monitoring and evaluation of investment in cultural heritage is needed, but rarely carried out. After the completion of restoration projects, funds are seldom allocated for the maintenance of sites and monitoring of use. Contractual agreements between government authorities and contractors hired to implement works rarely include long-term monitoring of sites or of project implementation and evaluation. Alongside each new investment, funds should be allocated for evaluating and appraising the project's sustainability, and the responsibility for undertaking monitoring must be determined before the implementation of any new project.

While some argue that cultural heritage sites can be used to encourage refugees to return to their communities, others believe that cultural heritage is of less concern than the many other social issues the returnees face. Revisionist approaches to monuments and the creation of "new" heritage sites related to recent conflicts and state-building efforts may be detrimental to the reconciliation potential of a country's cultural heritage.