Research on Risk Management of Cultural Industry PPP Model Based on Case Analysis

Jiesong Gao
Management College, Ocean Univerisity of China, Qigndao, Shandong, 266100, China
Fine Arts School of Shandong university, Jinan, Shan dong, 250100, China
gaojiesong123@163.com

Abstract: The PPP (Public-Private-Partnership), as a new type of public-private partnership (PPP) model, has been widely used in China in recent years, involving many fields such as infrastructure, transportation, and medical care. As an important industry to satisfy people's spiritual needs, the introduction of PPP model has positive significance for the development and prosperity of cultural industry. The purpose of this paper is to explore in depth the sources of risk under the PPP model of cultural industry through case study and put forward corresponding risk countermeasures. By strengthening theoretical research and practical activities, it promotes the healthy development of PPP mode in cultural industry and injects new impetus for the development of cultural industry.
Keywords: Cultural Industry; PPP Model; Chengdu Qingyang Green Boat Cultural Industrial Park; Risk Management

1. INTRODUCTION

Cultural industry projects have been given the attributes of public service projects in China, but they may face the danger of abortion during their pre-planning and construction stages. This is mainly due to limited financing channels, over-reliance on bank loans and government financial funds, and restrictions imposed by government administrative guidance. In order to enhance the speed of development of cultural industries and ensure the smoothness of their survival and development, government departments are trying to introduce social capital. However, it has been proved by practice in various places that the mode of relying only on government financial funds or social capital investment cannot guarantee the investment capital recovery of cultural industry projects. Therefore, how to effectively solve the financing problem of cultural industry projects and attract more social capital to participate has become an important issue for the development of cultural industry at present (Kang, 2022; Zhang, 2023). The application of PPP (Public-Private Partnership) as a project operation mode in the field of cultural industry is of great significance. It encourages private enterprises and private capital to cooperate with the government and participate in the construction of public infrastructure together, especially in the cultural industry projects, this model can

effectively solve the financial problems in the construction of the project, and improve the efficiency and quality of the services of cultural projects (Isah & Kim, 2023). China's cultural industry is booming with the support of national policies, and the reports of the 17th and 19th National Congresses have put forward the requirements for the development of the cultural industry, and the PPP model is expected to play a positive role in this field. However, the application of PPP model in China's cultural industry projects is still in the pilot stage and lacks mature cases and experiences. Therefore, it is necessary to conduct an in-depth study on the application of the PPP model in cultural industry projects to identify and cope with the related risks, to promote the high-quality development of the cultural industry, to enhance the service level and efficiency of cultural projects, and to provide opportunities and guarantees for the greater participation of social capital in order to promote the prosperity of the Chinese cultural industry. This research is of great practical significance for the sustainable development of China's cultural industry.

2. OPERATION PROCESS AND RISK MANAGEMENT OF PPP PROJECTS IN CULTURAL INDUSTRY

2.1 Operation Process of PPP Projects in Cultural Industry

At present, the operation process of PPP projects in the cultural industry is basically the same as that of infrastructure PPP projects, which is divided into five stages and 19 steps according to the operation process of PPP projects uniformly stipulated in China. As Figure 1.

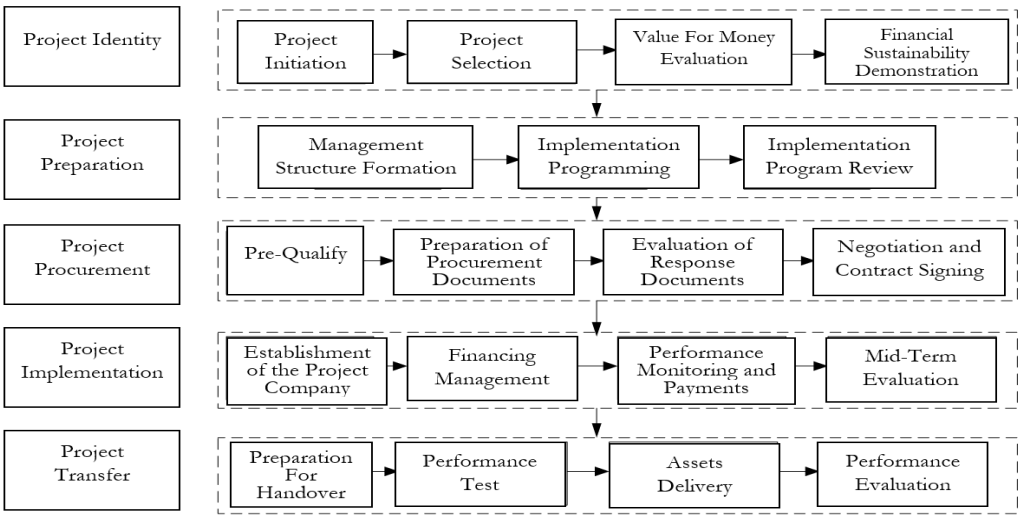

Figure 1: Flow Chart of PPP Project Operation

2.2 Project Risk Management

Project risk stems from the uncertainty of the environment in which the

project takes place, a factor that cannot be accurately predicted and controlled by the participants. If project risks are not effectively controlled, they may result in losses to project participants and less-than-expected project outcomes (Huang, 2023; Testorelli & Verbano, 2022). Project risk has its own unique characteristics: 1) Uncertainty: The nature of risk lies in the uncertainty of the future. During the planning and execution of a project, unforeseen circumstances are often encountered that may have an impact on the cost, schedule, quality and overall success of the project. 2) Diversity: Project risks can arise from a variety of factors, including technical problems, resource constraints, environmental changes, market dynamics, policy adjustments, and human resource management. Each project has a unique combination of risks. 3) Dynamic changes: As a project progresses, the nature and significance of risks may change. New risks may emerge, while old risks may disappear or diminish. 4) Measurability: Although risks have uncertainty, they can usually be quantified through some form of analysis, such as an assessment of risk probability and impact. This helps project managers prioritize the most critical risks. In addition, project risks are characterized by relevance, manageability, time sensitivity, and potential opportunities, and understanding these characteristics helps project managers to better prepare for and respond to risks that may be encountered during project implementation (ZHAO, 2022).

3. RISK IDENTIFICATION OF PPP MODE IN CULTURAL INDUSTRY

3.1 Case Basic Situation

Chengdu Qingyang Green Boat Cultural Industrial Park in Sichuan Province is located in the administrative area of Qingyang District, Chengdu City, with a planned area of about 16,000 mu. The park consists of two plates: International Intangible Cultural Heritage Expo Park and Creative Design Gathering Area, which is one of the major industrial projects in Chengdu City, Sichuan Province. The Qingyang Green Boat Cultural Industrial Park in Chengdu, Sichuan Province is a comprehensive park integrating culture, tourism, creativity, commerce and other multifunctional functions. Within the area, there are various kinds of scenic spots and monuments, such as Dufu Cao Tang, the center of China's poetry culture; Jinsha Ruins, the nest of the Sun God Bird; and Qingyang Palace, the holy place of Taoism. They are also an important part of China's and even the world's cultural heritage. In order to effectively protect and develop the famous monuments, it is necessary to make appropriate

adjustments and remediation, especially the improvement and protection of infrastructure is crucial. Against this background, the Green Boat Cultural Industrial Park in Qingyang, Chengdu, Sichuan Province, has adopted a PPP model for development and construction, aiming to attract more social capital to participate and jointly promote the development of the cultural industry. The project was initiated by the Qingyang District Government of Chengdu, Sichuan Province, funded by S Urban Development Investment Group and participated by SC Investment Group as a social capital party. Preliminary plans show that the total investment of the project is up to 8.5 billion yuan, of which 60 million yuan will be contributed by the government platform and 14 million yuan by the social capital party. The project was launched in 2019 with a 20-year execution period and is still in operation. Through the PPP model, all parties can give full play to their respective advantages, realize resource sharing and mutual benefits, and inject new vitality into the development of the cultural industry. This cooperation model provides an innovative approach to the protection and utilization of cultural heritage and is expected to promote the sustainable development and prosperity of the cultural industry.

3.2 Risk Sharing Mechanism

Under the PPP model of Qingyang Green Boat Cultural Industrial Park in Chengdu, Sichuan Province, the risk responsibility is shared by the government and enterprises. The risk sharing mechanism is shown in Figure 2 below.

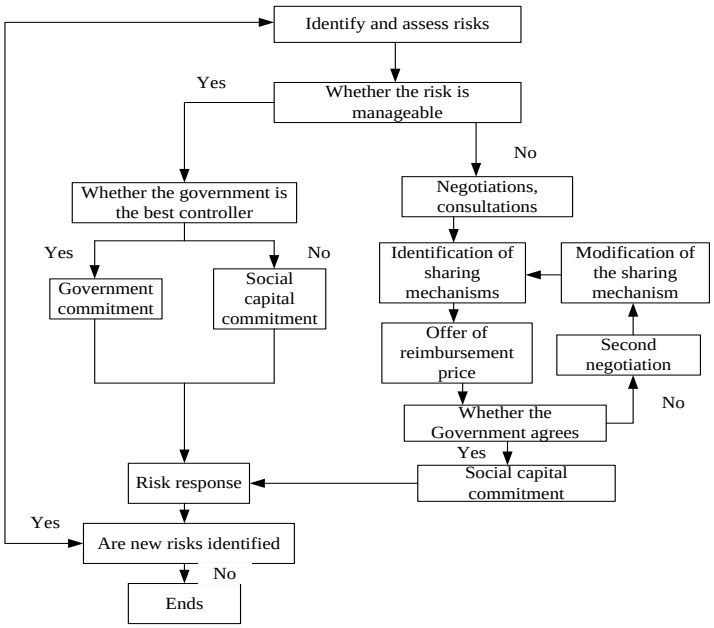

Figure 2: Risk Sharing Mechanism of PPP Model of Qingyang Green Boat Cultural Industrial Park in Chengdu, Sichuan Province

3.3 Sources of Risk in the Application of the PPP Model

3.3.1 Financial Risk

First of all, financing risk is one of the important financial risks faced by the PPP project of Green Boat Cultural Industrial Park in Qingyang, Chengdu, Sichuan Province. Since PPP projects usually require a large amount of capital investment, if the financing channel is single or the source of funds is insufficient, it may lead to the breakage of the project's capital chain and affect the normal promotion of the project. In addition, high financing costs will also increase the economic burden of the project and reduce profitability. Therefore, project parties should actively seek diversified financing channels, such as bank loans, equity financing, bond issuance, etc., in order to reduce the financing risk (Liu et al., 2020).As a key cultural tourism industry project supported by Chengdu, Sichuan Province, Qingyang Green Boat Cultural Industrial Park has a large development potential.

However, like all PPP projects, it faces certain political environment risks. As an important pillar of local economic development, the cultural tourism industry is often highly dependent on government policy and financial support. Therefore, once there is a significant change in government policies in the region where the project is located, it will have a direct impact on the construction and development of the park. In addition, PPP projects in the cultural industry are usually characterized by a wide project coverage, a long construction period, a large investment and insignificant short-term returns. These characteristics make the projects more vulnerable to the influence of the external environment, such as changes in market demand and fluctuations in the economic situation. Due to the long construction cycle and large capital investment, PPP projects in the cultural industry face greater financial pressure and market risk in the operation process.

3.3.2 Policy and Legal Risks

Policy and legal risks in the development of the PPP model for the Green Boat Cultural Industrial Park in Qingyang, Chengdu, Sichuan Province, are important aspects that cannot be ignored in the operation of the model. Changes in the policy and legal environments may have a significant impact on the investment return, contract execution, and project financing of PPP projects, so accurate analysis and effective response to policy and legal risks are one of the key factors for the success of PPP projects (Jiang, 2020; Wang & Zhang, 2022).

First, policy risk is one of the important risks faced by PPP projects. The stability and continuity of government policies are crucial to the long-term stable development of PPP projects. If there is a significant change in the government's cultural industry policy, it may affect the investment return and income expectation of the PPP project. For example, changes in tax policy, subsidy policy, and land policy may have an impact on PPP projects. Therefore, PPP project parties need to pay close attention to policy developments and strengthen communication and cooperation with the government to ensure that the impact of policy changes on the project is minimized.

Secondly, PPP projects involve numerous laws and regulations, and if the project party violates the relevant laws and regulations or contract terms, it may face legal consequences such as fines, compensation, and termination of the contract (Lee, 2022). Meanwhile, contracts and agreements of PPP projects usually involve complex legal relationships and obligations, which may lead to legal disputes and lawsuits if the contract terms are unclear or the legal environment changes.

3.3.3 Market Risk

In the PPP project of Qingyang Green Boat Cultural Industrial Park in Chengdu, Sichuan Province, the main market risks are faced, which include the risk of insufficient market demand and the risk of government control (Cao & Yang, 2023; Xu, 2021).

Although the Chinese government actively promotes the development of the cultural and tourism industries, there is still uncertainty as to whether market demand can continue to support the sustainable development of projects such as the Qingyang Green Boat Cultural Industrial Park. In addition, the government, as the actual owner of the project, pays more attention to social benefits and the service capacity of the project. If the government's administrative intervention in the operation of the enterprise cannot be effectively resolved, then the Chengdu Qingyang Green Boat Cultural Industrial Park may face greater risks in the market environment, including risks arising from the contradiction between the enterprise's excessive pursuit of marketization and the government's administrative intervention.

Therefore, under the PPP project model, an effective risk-sharing mechanism needs to be established to ensure that the government and the enterprise can jointly cope with market risks and realize the sustainable development of the project. The establishment and effective operation of

this mechanism is crucial to the success and stable operation of the project. Second, PPP projects face market competition that may come from other similar PPP projects or traditional non-PPP projects (YANG et al., 2011).

In a competitive market environment, the profitability of a project may be affected if it fails to stand out in the market. In addition, economic booms and recessions can have a significant impact on the market demand and profitability of PPP projects. During a recession, people may consume less, thus reducing the demand for PPP projects (Liang, 2022). Finally, force majeure events such as natural disasters and wars may have a serious impact on the construction and operation of PPP projects, and may even lead to project disruption or failure.

3.3.4 Operational Risks

First of all, in the project planning and preparation stage, poor consideration of market demand, project scale, and technical solutions may lead to operational difficulties in the later stages of the project. In addition, PPP projects usually need to be operated for a long period of time, so the long-term profitability of the project should be fully considered (Wang, 2023). In addition, choosing the right partner is the key to the success of PPP projects. If the partner chosen is inexperienced, weak or not willing to cooperate, it may adversely affect the implementation and operation of the project.

Secondly, as a cultural and tourism industrial park, the park has an obvious public service nature. However, in the park, the operation and management of a part of the resources, such as housing rentals and other non-cultural and creative industries, is not the responsibility of the main body of the park, but is borne by the renters themselves. This operation and management risk may directly affect the service level and maintenance level of the park.

In the subsequent management stage, the operation of the park is mainly the responsibility of enterprises, while the government is mainly responsible for providing capital subsidies and supervising the operation. The reasonable distribution of the rights and financial powers between the enterprises and the government will directly affect the degree of privatization of the project, and may even trigger the risk of loss of state-owned assets.

Therefore, a reasonable distribution of the rights and financial powers between the enterprise and the government is a key factor in ensuring the successful implementation of the project and the provision of high-quality

public services. This issue needs to be properly addressed in the project planning and management process to ensure the long-term sound operation of the park.

Finally, PPP projects usually require a large amount of capital investment, and if the financing is not smooth or the capital chain is broken, it may have a serious impact on the implementation and operation of the project (Zhang et al., 2022). In the operation and maintenance phase of PPP projects, if problems such as poor management, untimely maintenance or technical failures occur, it may have an impact on the profitability of the project.

3.3.5 Environmental and Social Risks

The Chengdu Qingyang Green Boat Cultural Industrial Park PPP Project may cause certain impacts on the environment during the development process. For example, construction noise, dust pollution, ecological damage and other issues may affect the neighboring residents and the ecological environment. Moreover, the PPP project may involve the interests and well-being of the residents of the local community, which may lead to social dissatisfaction and protests, or even social conflicts, if the project owner fails to fully consider the needs and interests of the local residents.

4. RISK ASSESSMENT OF PPP MODEL OF CULTURAL INDUSTRY

4.1 Determination of assessment indicators

In the PPP project of Qingyang Green Boat Cultural Industry Park in Chengdu, Sichuan Province, once the risk responsible person is identified, the hierarchical analysis method can be used to carry out the project risk assessment.

First, the risk hierarchy of the entire PPP model is summarized and sorted out, and the authors assess the relative importance between various risk factors through interviews with the principals of the project-related parties, third-party agencies, leaders of the competent authorities and relevant experts, as well as by inviting experts from government agencies to assist in assessing the relative importance between various risk factors. After analyzing and refining and integrating the results, a consensus was formed and a risk assessment model for the project was established. The specific model is shown in Table 1.

Table 1(a): Risk Assessment of PPP Mode Development of Qingyang Green Boat Cultural Industrial Park in Chengdu, Sichuan Province

Level 1 Indicators	**Secondary Indicators**	**Clarification**
financial risk	financial liquidity	Refers to the ability of the project to have inflows and outflows of funds and the level of liquidity required to maintain day-to-day operations.
	debt ratio	Reflects the ratio of the project's level of liabilities to total assets, and measures the project's solvency and financial stability.
	Accuracy of revenue projections	Indicates the extent to which projected program revenues match actual results in relation to the reliability of budgets and the effectiveness of financial planning.
Policy and legal risks	Policy stability	Involves possible changes in government policies during the operation of the project, which may affect the feasibility and profitability model of the project.
	Risk of legal changes	Refers to changes in the legal environment to which the project may be exposed, such as regulatory amendments, which may lead to risks in terms of contractual conditions, operating licenses, etc.
market risk	Trends in market demand	Indicates the trend of market demand for the products and services of cultural industrial parks, which is directly related to the revenue of the project.
	Competitive environment analysis	Involves an assessment of the competitive situation in the market in which the project is located, including the number of competitors, market share and intensity of competition.
	economic sensitivity	Indicates the responsiveness of a project's profitability to economic changes, such as changes in interest rates, inflation, and other macroeconomic factors.
Operational risk	Project management capacity	Involves the ability of the project team to manage the project, including planning, organizing, leading and controlling.
	Technological innovation capacity	Indicates that the capacity of the project in terms of technology introduction, R&D and application is essential to maintain the competitiveness and sustainability of the project.
	Cost control efficiency	Reflects the efficiency of the project in controlling costs, including the management of material costs, labor costs, and operating costs.

Table 1(b): Risk Assessment of PPP Mode Development of Qingyang Green Boat Cultural Industrial Park in Chengdu, Sichuan Province

Level 1 Indicators	Secondary Indicators	Clarification
Environmental and social risks	environmental impact assessment	Refers to the possible impacts of the project on the natural environment during construction and operation, as well as the environmental protection measures and response strategies adopted.
	Community engagement	Indicates the level of acceptance and participation of the local community in the project and its contribution to community development.
	Fulfilment of social responsibilities	Involves the project's assumption of social responsibility in its business activities, including responsibility to employees, customers and other stakeholders in society.

4.2 Determination of Indicator Weights and Consistency Test

In order to assess the importance of the indicators, the study adopted the expert scoring method. First, a preliminary assessment of the importance of each indicator was conducted based on the indicator scoring instructions (see Table 2 for details).

Then, experts were asked to make a two-by-two comparison based on the relative importance between indicators to determine the weight of each level of indicator. A judgment matrix for the first-level indicator level was generated by averaging the ratings of all experts through the arithmetic mean method. This matrix reflects the relative importance between each level 1 indicator.

Next, the judgment matrix for each indicator level was calculated by adopting the expert rating method and the arithmetic average method, which were similarly processed for each second-level indicator level. This method can comprehensively and objectively assess the importance of each indicator, providing strong support for subsequent analysis and decision-making.

At the same time, this method also ensures the reliability and accuracy of the assessment results and improves the scientific nature of the assessment process. This research methodology is expected to be widely applied in the decision-making and assessment process to help decision makers better understand the relationship and importance of the indicators so that they can make more informed decisions.

Table 2: Description of Indicator Scoring

Scale	Define	Clarification
1	equal importance	The two factors are equally important when compared
3	marginally important	The former is slightly more important than the latter when comparing the two factors
5	clearly important	When comparing the two factors, the former is significantly more important than the latter
7	very important	The former is very important compared to the latter.
9	extremely important	The former is more important than the latter.
2,4,6,8	midpoint	When two factors are compared, the importance of the former over the latter is between the upper and lower neighboring scales
from the bottom (lines on a page)	inverse comparison	The latter is more important than the former when comparing the two factors

In order to test the consistency of the judgment matrix at the first-level indicator level, the eigenvector Wi and the maximum value of the eigenvector λmax are calculated for each indicator weight of the judgment matrix at the first-level indicator level, and the eigenvector W =(ω1,ω2,ω3,...,ωn)and the consistency index CI value are obtained after the normalization process. There exists a judgment value CR = CI/RI, and when CR < 0.1, the degree of consistency of the judgment matrix is considered acceptable. The average random consistency index RI is determined by the judgment matrix order. After calculating the maximum value of the eigenvector λmax =7.136, CI=0.065, CR =0.0580<0.1, so the above judgment matrices of the first-level indicator layer are consistent with the consistency test. Similarly, using the above method, the eigenvectors Wi and the maximum value of eigenvectors λmax of the weights of each indicator in the judgment matrix of the second-level indicator layer were calculated to test the consistency of the judgment matrices of each layer of the second-level indicators. The final results show that CR are all <0.1, so the above judgment matrices of the second-level indicator layer are all consistent with the consistency test. According to the results of the above research, the weights of the first-level and second-level indicators of the risk evaluation index system of the PPP mode of Green Boat Cultural Industrial Park in Qingyang, Chengdu, Sichuan Province can be determined, and the evaluation content of the second-level indicators can be further refined, so as to establish the system model (see Table 3).

Table 3: Risk Evaluation Index System of PPP mode for Green Boat Cultural Industrial Park in Qingyang, Chengdu, Sichuan Province

Level 1 indicators	Weights	Secondary Indicators	Weights
financial risk	0.287	financial liquidity	0.042
		debt ratio	0.163
Policy and legal risks	0.231	Accuracy of revenue projections	0.082
		Policy stability	0.152
		Risk of legal changes	0.079
market risk	0.154	Trends in market demand	0.088
		Competitive environment analysis	0.025
		economic sensitivity	0.041
Operational risk	0.180	Project management capacity	0.092
		Technological innovation capacity	0.042
		Cost control efficiency	0.046
Environmental and social risks	0.148	environmental impact assessment	0.096
		Community engagement	0.021
		Fulfilment of social responsibilities	0.031

In order to assess the risk profile of the PPP model development project in the Qingyang Green Boat Cultural Industrial Park in Chengdu, Sichuan Province, the study utilized a questionnaire that was distributed to relevant staff. Once the questionnaires were returned, the collected data were processed with arithmetic averaging to calculate the score for each indicator. Ultimately, based on the results of the calculations, the total risk assessment score for the project was 0.395, which is a lower risk rating (0.2-0.4). It is obvious from Table 3 that financial risk and policy and legal risk have the most significant impact on the project. In order to reduce the risk of the project, it is suggested that the government should strengthen the improvement of the regulatory mechanism, as well as improve the regulations and legal system to ensure the legitimacy and stability of the project.

In addition, the PPP model of Chengdu Qingyang Green Boat Cultural Industrial Park also needs to strengthen the fund-raising work in the process of carrying out the project and ensure the stability of the project's capital chain through a variety of channels. In addition, it is also necessary to enhance market research and business management to improve the profitability of the project and reduce the risk of investment return. These measures are expected to help the project successfully cope with various potential risks and ensure the smooth implementation and sustainable development of the project.

5. RISK MANAGEMENT COUNTERMEASURES OF PPP MODE IN CULTURAL INDUSTRY

5.1 Financial Risk Management Countermeasures

(1) Enhance the liquidity of funds: The cultural industry PPP project should implement comprehensive fund inflow and outflow management strategies. By diversifying the sources of funds and improving the project revenue, the stability of cash flow should be increased to ensure that the project has a continuous and reliable inflow of funds. At the same time, expenditures should be rationally arranged, unnecessary costs should be strictly controlled, and procurement and contract management processes should be optimized to reduce nonessential cash outflows (Chen, 2024). In addition, it is crucial to conduct regular cash flow forecasting, which helps to identify potential funding gaps in advance so that effective measures can be taken to counteract them and maintain healthy and stable liquidity.

(2) Optimize debt ratio management: First, according to the project demand and risk tolerance, choose the appropriate type of debt, including the term and interest rate of the debt, in order to optimize the debt structure and reduce the debt ratio (Heberer & Schubert, 2020; Yuan et al., 2023). Second, a detailed debt repayment plan is formulated to ensure timely debt repayment and avoid default risk. Finally, adjust the debt structure in a timely manner by assessing the debt situation on a regular basis to keep the debt ratio within a safe range.

(3) Improve the accuracy of revenue forecasting: In order to improve the accuracy of revenue forecasting, it is necessary to conduct in-depth market research to understand the demand, competitive situation and technological development trend of the cultural industry, so as to provide a solid data foundation for forecasting. At the same time, it is necessary to construct a scientific revenue forecasting model based on historical data and market analysis to further enhance the accuracy of the forecast. In addition, sensitivity analysis of key factors affecting revenue is needed to assess potential risks and formulate response strategies in advance. During the operation of the project, it is necessary to continuously track the actual revenue situation, compare and analyze it with the forecast, and adjust the strategy in a timely manner to ensure the achievement of the expected revenue target.

5.2 Policy and Legal Risks

(1) Ensuring policy stability: Policy stability risk is one of the main risks faced during the implementation of PPP projects in the cultural industry.

Policy stability risk usually includes policy change risk, policy implementation risk and policy continuity risk. To cope with this risk, it is necessary to establish an effective policy tracking mechanism to pay attention to policy changes and adjust project strategies in a timely manner; strengthen communication and cooperation with the government to strive for more policy support and guarantees; formulate a flexible project adjustment program to adapt to policy changes; and ensure project compliance to avoid the project being blocked or stopped due to non-compliance (Herrmann-Pillath et al., 2020). Through these measures, the risk of policy stability can be effectively reduced to ensure the smooth implementation of the project.

(2) Reducing the risk of legal changes: The risk of legal changes may arise from incomplete laws, conflicts between different laws, or implementation problems. In order to address these risks, it is necessary to first gain an in-depth understanding of the legal environment where the project is located and assess the potential risks. Compile a comprehensive list of local laws and pay attention to dynamic changes. Secondly, a sound legal system can guarantee project implementation and reduce problems caused by incomplete or conflicting laws. In addition, establish a legal risk early warning mechanism to monitor legal developments in real time, identify and respond to risks in a timely manner, and avoid project obstruction. Working with experienced lawyers is also a way to reduce risk, as they can provide professional advice and risk assessment to ensure that the project is legally compliant. Working closely with lawyers can reduce risks arising from inadequate understanding or improper implementation.

5.3 Market Risk Management Countermeasures

Accurately grasp the market demand, not only considering the current demand, but also predicting the future trend, in order to formulate strategies to adapt to market changes. Through market investigation and continuous observation, flexibly adjust project content and operation strategies to ensure sustainable development. Second, analyze the competitive environment in depth, understand competitors' dynamics and strategies, and formulate targeted competitive strategies, while focusing on innovation to provide distinctive products and services. Finally, improve economic sensitivity, pay close attention to economic dynamics, assess the economic feasibility of projects, and adjust business strategies in a timely manner to cope with market changes. Effective risk management tools, such as diversified investment portfolios, rational capital arrangements and flexible financial strategies, also help reduce the impact of economic risks.

5.4 Countermeasures for Operational Risk Management

Enhance the project management ability, establish a professional team and improve the project management system, ensure that there are clear responsibilities and work requirements at each stage, strengthen project monitoring and establish a risk early warning mechanism. Secondly, stimulate the technical innovation ability, improve the independent innovation ability, production efficiency and product quality by increasing R&D investment, introducing advanced technology, cultivating technical talents and strengthening the cooperation between industry, universities and research institutes and other measures. In addition, optimize the cost control efficiency, formulate detailed cost budgets and strictly implement them, optimize the production process to reduce production costs, strengthen the procurement management to reduce the procurement costs and risks, improve the cost accounting system to find out the problems in time and make improvements, as well as strengthen the cost control training to improve the cost control awareness of all employees.

5.5 Environmental and Social Risk Management Countermeasures

A comprehensive environmental impact assessment mechanism should be established to predict and assess the possible impacts of the project on the environment and take measures to reduce or avoid negative impacts. In addition, the enthusiasm of community participation in environmental decision-making should be enhanced, the needs and interests of the local community should be fully considered, and the identification and support of local residents for the project should be strengthened, so as to reduce social conflicts and risks. Finally, it should actively fulfill its social responsibilities, protect the rights and interests of workers and consumers, maintain public safety, carry out public welfare activities, promote cultural inheritance and innovation, and promote harmonious social development. Through these measures, environmental and social risks can be reduced, and the project's social benefits and sustainable development capacity can be improved.

6. CONCLUSION

Nowadays, cultural industry has penetrated into every aspect of our life, which not only represents the soft power of a country, but also is an important pillar of national economic development. With the progress of science and technology and the acceleration of globalization, the

development trend of culture industry becomes more and more obvious and its status becomes more and more important. It is foreseeable that in the future life, cultural industry will occupy a more central position in our life and become an important part of people's spiritual life.PPP mode provides new ideas for the development of cultural industry and injects new vitality into the development of cultural industry. Based on this realistic background, this paper tries to analyze the potential risks in the PPP project of cultural industry, considering the special characteristics of cultural industry, and on the basis of combining the actual cases, it puts forward some personal insights on the main risks existing in the PPP project of cultural industry, and also puts forward some risk management and control measures. To a certain extent, it provides some ideas and adds a theoretical support for the research and conduct of PPP projects in cultural industry.

References

Cao, Y., & Yang, Z. (2023). Research on the Sustainable Development of Cultural Industry Park under the Strategy of Rural Revitalization - Take the Ma Touqin Grassland Cultural Industry Park in Jia Lan Ban Village, Baohe Shao Town, Xincheng District, Hohhot City as an Example.Art and Design. (1).

Chen, L. (2024). Study on the Path of High-quality Cultural Industry Development in China from the Perspective of WSR Methodology. In *2023 5th International Conference on Economic Management and Cultural Industry (ICEMCI 2023)* (pp. 215-224). Atlantis Press.

Heberer, T., & Schubert, G. (2020). *Weapons of the rich. Strategic action of private entrepreneurs in contemporary China*. World Scientific.

Herrmann-Pillath, C., Man, G., & Xingyuan, F. (2020). *Ritual and economy in metropolitan China: A global social science approach*. Routledge.

Huang, Y. (2023). Risk management analysis of highway project investment and financing under PPP mode. *Tianjin Economy*(7), 75-77.

Isah, M. A., & Kim, B.-S. (2023). Development of Knowledge Graph Based on Risk Register to Support Risk Management of Construction Projects. *KSCE Journal of Civil Engineering*, *27*(7), 2733-2744.

Jiang, D. (2020). Risk control of cultural industry project planning. Business News. (28), 140-141.

Kang, J. (2022). An analysis of China's current cultural industry policy and development. *Culture Industry*(28), 163-165.

Lee, H. K. (2022). Supporting the cultural industries using venture capital: a policy experiment from South Korea. Cultural Trends. (1).

Liang, Y. (2022). The digital transformation of traditional culture industry: Exploration and practice of Mabanshan Video Culture and Creative Industry Park *Modern Business Industry*(15), 13-14.

Liu, L., Zhuang, L., & Ma, T. (2020). Research on PPP mode of cultural industry projects in China. *Journal of Xinyang College of Agriculture and Forestry* (4), 39-43.

Testorelli, R., & Verbano, C. (2022). An empirical framework to sustain value generation with project risk management: a case study in the IT consulting sector. *Sustainability*, *14*(19), 12117.

Wang, H., & Zhang, D. (2022). Rule of law issues of cultural industry promotion under the new development pattern of double cycle. *Journal of Henan Normal University (Philosophy and Social Science Edition)*(4), 60-67.

Wang, Q. (2023). The status quo and promotion path of cultural industry park in Ningbo. Modern Business Industry. (3), 25-27.

Xu, M. (2021). Research on the mechanism of economic audit supervision to help cultural industry high-quality development. Guangdong Economy. (4), 78-81.

YANG, X., ZU, C., QIU, Z., & HE, L. (2011). A new species of the genus Pseudourostyla (Coleoptera, Staphylinidae) from China. (2023). A study on the high-quality development of industrial parks in Ningxia: A case study of cultural industrial parks. *Journal of Ningxia Normal University*(6), 100-107.

Yuan, D., Wu, R., Li, D., Zhu, L., & Pan, Y. (2023). Spatial patterns characteristics and influencing factors of cultural resources in the Yellow River National Cultural Park, China. *Sustainability*, *15*(8), 6563.

Zhang, H. (2023). Research of Public-Private-Partnership (PPP) Model in Elderly Care Service in the Accelerated Rate of Aging in China. *Research in Economics and Management*(2).

Zhang, J., Yu, Z., Miao, C., Li, Y., & Qiao, S. (2022). Cultural tourism weakens seasonality: Empirical analysis of chinese tourism cities. *Land*, *11*(2), 308.

ZHAO, H. (2022). Risk management and countermeasures of PPP project investment and financing. *China township enterprise accounting*(7), 89-91.