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# EU Funding for Culture

## in the Multiannual Financial Framework 2028-2034

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1. This position paper has been prepared by Culture Action Europe, a pan-European cross-sectoral network that brings together 250 cultural networks, organisations, artists, activists, academics, and policymakers from 35 countries.

2. At the time of writing, the specific details and structure of the next Multiannual Financial Framework (MFF) 2028–2034, the EU's seven-year budget, remain unknown. The European Commission should submit its first MFF proposal by July 2025. We have based our analysis on public information from the Political Guidelines for the Next European Commission 2024-2029, the mission letter and confirmation hearing of the Commissioner for Budget, Anti-Fraud and Public Administration, and the Competitiveness Compass. We assume that the next MFF will be structured around three main pillars:

- Competitiveness Fund;
- National Plans linking reforms and investments;
- External Action funding.

The next MFF is expected to move to a policy-based budget from a programme-based budget and reduce the number of funding programmes.

3. We call on the European Commission, in particular the President of the European Commission, Executive Vice-President for Tech Sovereignty, Security and Democracy, Executive Vice-President for Social Rights and Skills, Quality Jobs and Preparedness, Commissioner for Budget, Anti-Fraud and Public Administration, Commissioner for Intergenerational Fairness, Youth, Culture and Sport, and Commissioner for Democracy, Justice, the Rule of Law and Consumer Protection, as well as the European Parliament and the Council of the European Union, to consider the following suggestions in the development and negotiation of the MFF 2028–2034.

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# SUGGESTIONS

**Culture Action Europe advocates for increasing the EU funding for the cultural and creative sectors and industries to 2% of the MFF 2024-2034.** If the EU were to increase its expenditure on culture to 2% (approximately €24 billion) of the current MFF budget, the measure would generate €266 billion of additional GDP or €38 billion annually.

**Why? Each euro invested in the common EU action supporting or complementing existing funding for the creative and cultural sector could potentially generate a return of up to €11 of GDP**, according to the European Parliamentary Research Service. For every euro invested in the European Capitals of Culture, there is a return of €8-10. High GDP multipliers make a compelling case for increased public support and investment in cultural and creative sectors and industries.

**2% of the total MFF** = 2% of the Competitiveness Fund (as a standalone programme for culture, Creative Europe)
+ 2% of National Plans + 2% of the External Action funding

The EU has limited competence in culture, meaning it cannot impose binding laws in this area. However, this limitation should not serve as an excuse for a lack of support. On the contrary, the EU's supporting competence in culture allows it to act through financial backing, compensating where legislative action is not possible.

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# I. COMPETITIVENESS FUND

## Creative Europe

**1. As part of the Competitiveness Fund, Creative Europe should remain a standalone programme with a distinct budget line.** Preserving the autonomy and visibility of Creative Europe is crucial for several reasons:

- **Creative Europe is the only EU funding programme dedicated exclusively to supporting the cultural and creative sectors**, aligned with the EU's competence to 'support, coordinate, or supplement the actions of Member States' in the field of culture, as per Article 6 of the Treaty on the Functioning of the European Union.

- **Creative Europe supports cross-border cultural cooperation, achieving results that Member States alone cannot accomplish.** The programme's outcomes cannot be attributed to individual Member States but rather contribute to the shared European culture. With a proven track record, Creative Europe has consistently supported high-quality art production, cross-border partnerships, touring, and engagement with local or niche audiences in other countries—groups that might otherwise be overlooked by national governments.

- **Creative Europe boosts the competitiveness of Europe's cultural and creative sectors.** Creative Europe helps smaller European organisations team up on touring exhibitions, festivals, and performances. As a result of these collaborations, cultural projects gain visibility beyond the continent, expand audiences and seize new market opportunities. Participation in Creative Europe also offers practical know-how—from marketing strategies to audience development—that helps European cultural operators to export their works internationally.

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In addition to direct funding for innovative artistic projects, the Culture strand funds networks and platforms (for instance, large-scale music platforms and dance consortia) that build stable, cross-border alliances. These alliances boost Europe's creative reputation worldwide by standardising best practices in co-production, broadening distribution channels, and building the capacity of their members.

- While other funding programmes offer opportunities for artists and cultural organisations, they do not **directly support European culture itself**. Since culture holds a distinct epistemic value and generates knowledge through artistic practice, it cannot be fully supported through research and innovation programmes that rely solely on quantitative metrics. It cannot be restricted to health and well-being initiatives alone, as culture often provokes discomfort and challenges societal norms. Nor can it be confined to economic programmes exclusively, as market logic risks commodifying and standardising culture. Merging Creative Europe with larger programmes like Erasmus or Horizon risks diluting its cultural focus, increasing administrative complexity, and reducing the programme's sector-specific flexibility.

- The full creative and experimental potential of the arts relies on their **autonomy**, supported by dedicated cultural funding. While artists often collaborate in interdisciplinary settings, it is essential to preserve the cultural sector's decision-making and content-creating independence. Creative Europe must ensure that the power of culture is not marginalised by being confined to serving external objectives.

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**2. Design of Creative Europe in the next MFF**

- Horizontal funding lines such as t**ransnational cooperation projects, European networks, cultural and creative pan-European platforms, and transnational mobility must** be preserved in the next edition of Creative Europe's CULTURE Strand.

- The **European Capitals of Culture** scheme should be maintained due to its positive effects, especially in local and rural areas.

- Creative Europe should continue its transversal, **cross-sectoral approach** and avoid moving towards an unbalanced sector-specific allocation of cooperation project budgets, as this could limit access for smaller or less visible sectors.

- The co-funding rate in the CULTURE Strand of Creative Europe is 60-80%, a striking contrast with Erasmus+ and Horizon Europe programmes, where the Commission finances 100% of the project cost. It is advised, therefore, to increase the level of **EU funding in projects to 100%.**

- In view of the high inflation rates and energy costs, the possibility should be given to increase the 7% ceiling of **indirect costs to 15%.**

- A fair initiative would be to **reimburse application writing costs for high-scoring projects** (above 70 points or other defined threshold) that are not selected for funding. Smaller preparatory grants for cooperation projects could be provided to enhance accessibility and capacity building.

- A **two-phase application process** could be introduced to minimise red tape: a concept note first, followed by a more detailed proposal if selected.

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- Specific **calls targeting regions** with fewer resources or accession countries (such as the Western Balkans Call or Ukraine Call) should be retained in the new edition of the programme.

- Social and environmental conditionalities should not dilute funding for artistic creation itself or impose barriers to accessing the programme. Any **new conditionalities must be accompanied by additional funding** to support their implementation.

- In the next MFF, Creative Europe's **priorities must be broad enough** to protect the autonomy of culture and prevent constraints. Narrow priorities lead to self-censorship, curbing the sector's creative potential and capacity to thrive.

**3. Independence of Creative Europe funding**

Culture Action Europe emphasises that funding for cultural projects must respect the independence of organisations and uphold the right of beneficiaries to determine the most effective ways and formats to achieve their approved objectives.

The recent controversy surrounding operating grants highlights the risks of undermining this independence. Specifically, the suggestion that funding advocacy activities of civil society organisations could pose a reputational risk for the EU—as stated in the Guidance on Funding for Activities Related to the Development, Implementation, Monitoring, and Enforcement of Union Legislation and Policy—raises significant concerns.

Since all EU funding is inherently tied to policy (whether through action grants that help achieve the EU policy objectives or operating grants financing the functioning of bodies which have an objective forming part of, and supporting EU policies), such a broad interpretation risks stifling pluralism, freedom of expression, and genuine stakeholder-driven policy-making processes.

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Culture Action Europe strongly calls for maintaining the independence of funding. Creative Europe funding mechanisms should ensure the cultural sector's autonomy and never dictate the content of cultural activities.

**4. Additional suggestions**

**If and only if** the Creative Europe budget is increased, consider the following funding schemes:

- A ring-fenced (e.g. 5% of the CULTURE strand) scheme of Creative Europe could offer **micro-grants of €5,000–€15,000 for first-time applicants** and young artists through a simple lump-sum/unit cost model and short application forms. It would be suitable for pilot initiatives, emerging cultural organisations, and testing new concepts. This light-touch scheme with minimal outcome-based reporting could preserve existing main funding lines while expanding access for underrepresented stakeholders.

- An **acquisition programme** for cultural organisations and institutions to support the purchase of European cultural goods and services or outputs from Creative Europe-funded projects could ensure the sustainability and continuity of EU support. While Creative Europe's grants in previous years have resulted in a significant body of artistic processes and works that are distinctly European, long-term support is needed to help European culture make its way to the citizens. Such a funding line would address the limitations of current mechanisms, which often fall short in sustaining the long-lasting impact and visibility of cultural projects beyond their immediate implementation.

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- An EU-wide **Cultural Pass** would enhance public access to cultural experiences for youth and people from marginalised backgrounds. A co-funding approach could be implemented (50% national + 50% Creative Europe funding), with specific support for smaller or economically weaker regions. The Cultural Pass could be paired with initiatives like DiscoverEU to reinforce the European value added.

As long as the programme's budget is not increased, the idea of introducing new schemes should be avoided. Otherwise, they will increase administrative complexity and jeopardise core funding.

## Culture mainstreaming

**1.** Culture Action Europe recognises the importance of cultural funding in other programmes, such as Horizon Europe (Cluster 2 'Culture, Creativity and Inclusive Society'), Erasmus+, CERV, Single Market Programme, Digital Market Programme, EU4Health programme, InvestEU programme, etc. We believe the cultural component in these programmes should be strengthened. However, cultural mainstreaming should not substitute the only programme dedicated to culture's intrinsic value as a European public good and a basis of European values.

**2.** On the next Framework Programme for Research and Innovation (FP 10), Culture Action Europe advocates to:

- Maintain a separate cluster dedicated to culture, creativity, and inclusive society (or similar) as part of FP10 and strengthen the integration of social sciences, humanities and arts in the structure of FP10 and EU research and innovation policies.

- Increase the budget for social sciences, humanities, and arts within FP10 to at least 200 million euros annually.

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- Recognise the epistemic value of artistic research, which can take the form of artistic practices, in line with the Frascati Manual and Vienna Declaration.

- Reduce the prescriptiveness of calls to offer flexibility and accommodate various research methodologies.

**3.** If the European Investment Fund and InvestEU Programme are integrated into a larger Competitiveness Fund, **it remains critical to maintain a dedicated loan guarantee facility for cultural and creative sectors.** In the past, the Cultural and Creative Sectors Guarantee Facility has effectively stimulated lending in a sector often viewed by traditional banks as high-risk due to intangible assets, niche markets and unpredictable revenue streams. This success—reflected in job creation, accumulated private capital for SMEs, and a strong multiplier effect when relatively modest EU budget contributions unlocked substantially larger volumes of loans—validates the need for continued, targeted guarantee support.

**4. In the next MFF, it is recommended to strengthen synergies across EU funding opportunities for culture** while preserving applicants' right to benefit from distinct funding lines independently. One potential approach is to extend the Strategic Technologies for Europe Platform (STEP) and its STEP Seal to culture funding. This would allow shared funding for projects across several programmes, where different programmes finance different aspects of the same project, complementing each other. The STEP Seal has already facilitated cumulative funding and the combination of grants from multiple EU budget instruments, and this scheme could be expanded to include Creative Europe.

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**5. A financial contribution scheme where AI providers compensate small and independent creators should be considered.** Given the frequent use of copyrighted content for AI training without consent, it is worth considering the establishment of a fund or financial contribution from AI model providers and deployers to remunerate European small and independent creators and cultural and creative sector representatives. The specifics of this scheme could be further defined through a dialogue among the cultural and creative sectors, AI providers, EU institutions, and national governments.

A proposed financial contribution scheme would mitigate the so-called economic 'displacement effects' caused by AI systems capable of mimicking human creativity. It's important to note that financial contributions should not be seen as a pay-off but rather as compensation for the previous use of cultural content. This scheme should prioritise the interests of creators above all and must not eliminate the AI providers' obligations to respect opt-outs or to obtain explicit permission, where applicable.

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# II. NATIONAL PLANS THAT LINK REFORMS AND INVESTMENTS

## Earmark 2% for culture in National Plans

**1. National Plans that link reforms and investments should earmark 2% of their funding specifically to culture** and establish culture as a distinct funding line within these plans.

During the pandemic, Culture Action Europe advocated for allocating 2% of the funding from the National Recovery and Resilience Plans to culture. This target was successfully met—the funding proved effective for the post-pandemic recovery of culture and reinforced the capacity of Member States to support their cultural sector.

Building on this experience, Culture Action Europe suggests that the future National Plans linking reforms and investments in the next MFF earmark 2% of their funding specifically for culture.

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**2. In National Plans, Member States should have the flexibility to determine the most effective policies and tools to support culture.** However, in their cultural policies, Member States should adhere to the following principles:

- Member States must uphold **artistic freedom** and freedom of artistic expression and ensure the autonomy of cultural institutions.

- Funding support should be **geographically balanced** and ensure equitable access for cultural operators across the country, both in urban and rural areas.

- Allocated resources should not be concentrated on a single or a few cultural beneficiaries. Instead, support should target **small and independent creators**, cultural professionals, and organisations.

- The bodies, institutions and organisations that distribute funding must commit to social conditionality and provide **fair pay** and equitable remuneration for EU funding beneficiaries.

If Cohesion Funds are reformed and incorporated into the National Plans, an additional criterion should be the earmarking of 2% of these funds to support cultural infrastructure and provide 'hardware' grants and loans (investments in structures such as cultural centres and creative hubs in situ, and sustainable equipment for these facilities).

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# Artistic Freedom as a Condition to Access Funding

**1. The European Commission is urged to incorporate a dedicated section on Artistic Freedom in the Rule of Law Report** and to condition Member States' access to National Plans' funding on their demonstrated commitment to upholding artistic freedom, as evaluated in the report.

Since the European Commission, in its new mandate, would keep the structure of the Rule of Law Report under review, particularly in light of incorporating the Single Market dimension, we urge it to include an artistic freedom dimension in the Rule of Law Report. The Rule of Law Report has a preventive nature, which makes it an essential tool to monitor and prevent violations of artistic freedom, where the EU's competence is limited.

Back in 2023, the European Parliament resolution on the social and professional situation of artists called on the Commission to expand the Rule of Law Report's chapter on media freedom and pluralism to include all aspects of freedom of expression, including artistic and academic freedoms. Artistic freedom has been a priority in the EU Work Plan for Culture since 2019 and is a guiding principle in the 2023–2026 EU Work Plan for Culture.

The Artistic Freedom section in the Rule of Law Report could address the following aspects:

- Instances of government or political interference in the activities of artists or cultural organisations and institutions (censorship or content restriction, the impact of funding decisions on artistic independence, politically motivated dismissals or persecutions, etc.);

- Member State's legal and institutional framework to ensure the independence of artists and the autonomy of cultural organisations and to protect artistic freedom and artists at risk;

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- Rules governing the appointment and dismissal of cultural institution leadership;

- Existing or missing safeguards for artistic freedom and cultural expression;

- Frameworks for self-regulation in the cultural sector and the protection of cultural professionals.

**2. Moreover, the Artistic Freedom dimension should be incorporated into the Annual Reports on the Application of the European Charter of Fundamental Rights.**

Articles 11 and 13 of the European Charter of Fundamental Rights explicitly protect artistic freedom as a fundamental human right. However, artistic freedom has not been prominently addressed in recent Annual Reports on the application of the Charter. There are plans to expand the report's scope, transitioning it from a thematic snapshot to a more comprehensive monitoring tool. We hope that this expanded scope and methodology will include systematic monitoring of the application of Articles 11 and 13 and ensure that artistic freedom receives attention as a core aspect of fundamental rights within the EU.

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# III. EXTERNAL ACTION FUNDING

**1. Develop a robust EU Strategy for International Cultural Relations** with sufficient funding, which would address the following considerations:

- Cultural democracy as a model to promote cultural participation, reduce social polarisation, and create a common space to imagine the visions of the global future;
- The role of culture and cultural policies in EU's comprehensive security and resilience;
- Decolonisation processes in culture and heritage;
- Growing weaponisation of culture and heritage by authoritarian regimes;
- Support for artists and cultural and creative sectors professionals at risk in situations of armed conflict;
- The EU's competitiveness in international economic trade in cultural and creative goods and services;
- The illicit trafficking of cultural goods;
- Global discoverability of EU creative works;
- Promote Culture as a standalone UN's Sustainable Development Goal beyond 2030.

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**2. Establish a Global Cultural Cooperation fund within the EU external action funding pillar** to implement the revised EU Strategy for International Cultural Relations, in particular by supporting cooperation projects with cultural organisations in third countries not associated with the Creative Europe Programme, on equal footing. Currently, non-EU countries are often relegated to roles as subcontractors or associate partners and must bear the cost of their participation in Creative Europe projects. This creates significant challenges, for example, in projects addressing colonialism or engaging with strategic partners.

**3. Use Russia's money to finance Ukraine's cultural recovery.** A positive precedent has been established for channelling revenues from immobilised Russian sovereign assets, currently held by central securities depositories, through the European Peace Facility and to the Ukraine Facility to support Ukraine's military capabilities and reconstruction. Additionally, the EU's High Representative for Foreign Affairs and Security Policy has called for the use of billions of euros in frozen Russian state funds within the EU to aid Ukraine.

In this context, Culture Action Europe advocates for dedicating 2% of these seized funds to support Ukraine's cultural sector. Such an allocation is crucial in light of the enormous damage to Ukraine's cultural heritage and infrastructure by the Russian forces, as well as the deliberate targeting of Ukrainian identity and culture in the Russian war of aggression.

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**4. Culture should become a strategic pillar of the European Democracy Shield.**

European culture is fundamentally an experience of its people. Through the participation of its citizens and neighbours, European culture promotes the values of democracy, resilience, responsibility, and freedom—values that are increasingly under threat, undermining the very foundation of the European Union.

Autocratic regimes use social media and cultural expansion strategies as tools of soft power, exposing users—including children—to authoritarian narratives. A key counter-strategy lies in promoting cultural and creative content that reflects and reinforces democratic values. European culture must now be an experience that inspires a collective sense of the future, resilience, strength, action, and solidarity, even in apocalyptic times.

The EU faces a critical choice: it can either remain confined to its limited competence, allowing citizens to be exposed to authoritarian influences and undermining its democratic legitimacy—as evidenced by the 2024 elections in Romania—or it can invest in cultural participation as a strategic pillar for security, resilience, and critical thinking.

Therefore, Culture Action Europe calls for the support for culture and international cultural relations to be embedded in the European Democracy Shield and reflected in a revised Strategy for International Cultural Relations.

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| EU Culture Funding in the MFF 2028-2034: 2% of the MFF | | |
|---|---|---|
| **Competitiveness Fund** | **National Plans** | **External Action Funding** |
| **Creative Europe as a standalone programme**<br>- Maintain schemes such as cooperation projects, networks, platforms, mobility, European Capitals of Culture<br>- Co-funding 100%, indirect costs 15%, two-phase application, cross-sectoral, regional calls, reimbursement of application writing costs<br>- Add the following funding lines, if the budget is increased: micro-grants for newcomers; the acquisition programme; EU Cultural Pass | **Earmark 2% for culture in National Plans**<br>- Member States decide on how to support culture, but in line with the principles of artistic freedom, geographical balance, fair pay, and support for small and independent creators, support for cultural infrastructure (Cohesion Funds) | Earmark 2% for culture as part of the **Global Cultural Cooperation Fund** to implement the revised EU Strategy for International Cultural Relations |
| - **Cultural components** in FP10, Single Market Programme, InvestEU Programme, etc.<br>- Loan guarantee facility | - Incorporate a section on **Artistic Freedom in the Rule of Law Report** and condition Member States' access to National Plans' funding on upholding artistic freedom | - 2% of **Russia's frozen assets** to finance Ukraine's cultural recovery |
| - More synergies with other programmes through the **STEP model** | - Incorporate Artistic Freedom into the Annual Reports on the Application of the European Charter of Fundamental Rights | - Culture should become a strategic pillar of the **European Democracy Shield** |

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