



Financing cultural activities

Looking for good practice and innovation in cultural financing

Contributors

Rafał Sakowski, head of Urban Culture Institute - City of Weaves

Edyta Ruta, Art and Health Led in Urban Culture Institute - City of Weaves

with insides from:

Anna Ehn - head of the department for public art in Uppsala

Igor Gałzkiewicz - art branding expert

Paul Milbank from Belivat of Jersey (social prescription)

Elaine Falzon and Oliver Göbel



Co-funded by
the European Union

Context and Rationale

About the topic addressed by this policy paper

The establishment of the Thematic Working Group on Finance was prompted by a shared conviction among Culture Next network members that both remuneration in the cultural sector and the budgets allocated to cultural activities fall significantly short of what is necessary, particularly in light of overarching European Union policy frameworks—such as the *New European Agenda for Culture*. In many instances, the compensation received by cultural-sector employees does not adequately reflect the value of their work. Moreover, the network is aware of various innovative financing strategies for culture—approaches that could be adopted elsewhere in Europe or even recommended as best practices by the European Union.

It is also important to recognize that the cultural sector extends beyond art and leisure industries, taking on broader public responsibilities such as fostering social cohesion, improving public health, and cultivating critical-thinking skills—an increasingly essential aptitude in the face of cognitive warfare and propaganda. Adequately funded cultural activities thus not only enrich society but also contribute to job creation, community well-being, and sustainable development across Europe. When implemented holistically, such strategies have the potential to foster inclusion, ensure equal access, and promote intercultural dialogue—key values upheld by the European Union.

Achieving this vision requires robust knowledge exchange and collaboration both within the Culture Next network and with experts from other regions and sectors. By sharing best practices and building upon existing policy frameworks, we ensure that culture is not merely seen as an add-on, but as a foundational pillar of the European Community's very existence and future development. Improving the financial standing of the cultural sector is therefore a prerequisite for realizing its full potential and securing a sustainable cultural landscape for generations to come.

Culture Next position on the topic addressed

Culture Next was established by a city that undertook the monumental task of using cultural initiatives to foster more livable and sustainable urban environments. As all its member cities were in some way involved in bidding for the European Capital of Culture, they collectively sought to secure adequate budgets for this large-scale event while ensuring its long-term

viability. By compiling a “good practices” guide on cultural financing and management, these cities aim to maintain culture as a primary force for development and simultaneously enhance the financial conditions of the cultural sector. The Thematic Working Group on Finance marks the first step toward closing this gap and empowering cities to sustain culture as a catalyst for enduring growth.

Culture Next Action

Culture Next began addressing this topic by establishing a dedicated Thematic Working Group (TWG), composed of representatives from different cities, to explore and exchange knowledge on various models for raising and distributing funds within the cultural sector. As part of this initiative, the TWG conducted interviews with stakeholders who developed effective approaches to financing and allocating resources, thereby identifying best practices and innovative solutions. In addition, Culture Next organized public events to share these insights on cultural financing with huge input from Elaine Falzon from Art Council Malta and Oliver Göbel expert on Culture, politics and financing. We had opportunities to zoom in on how effective a small country like Malta can be in developing the culture sector with financial aid with focusing on support for EU grants stakeholders share for example. Another issue we discourse is how to monitor spending without too much effort from the artists and institution - the balance between checking the effectiveness of the support and not consuming time and budget for Monitoring and Evaluation as a main part of financing.

We held a workshop with Igor Gałązkiweicz about art branding and how it can be an effective tool. Art Branding can serve as a powerful bridge between the corporate world and cultural institutions, transforming sponsorships into meaningful collaborations that benefit both parties. By integrating a company’s brand identity with an artistic or cultural endeavour, businesses can showcase their creativity and commitment to community development, while cultural organizations gain much-needed financial support and expanded visibility. This alignment of objectives—where a company’s marketing and social impact goals intersect with an institution’s mission to promote art, heritage, or the creative industries—fosters an authentic partnership. As a result, the enterprise not only enhances its public image through culturally resonant initiatives, but also helps cultivate a broader audience for the arts, creating a win-win scenario for all stakeholders involved.

Facilitated discussions during Culture Next conference to encourage broader dialogue.

To further enrich the conversation, the TWG initiated research on comparable funding mechanisms in related fields and looked beyond Europe for fresh perspectives. By combining these diverse activities—stakeholder interviews, public events, workshops, conference discussions, and global research—the group continues to expand both the theoretical understanding and practical application of successful funding models, ultimately strengthening the cultural sector’s capacity to grow and thrive.

Conclusions and Recommendations

Key takeaways

In various state members or on the city level there is a lot of good practice that can be adopted in different surroundings e.g. 1% for art in public space from Sweden.

In different areas of culture like the audiovisual industry there are models that possibly can be adopted for other art disciplines e.g. tax incentives in the film industry.

Culture is not only pure art but fulfils other missions in regard to social politics, education and health and therefore funds from this area should be made available for culture for relevant actions/projects. e.g. social prescribing in Belivat of Jersey.

There needs to be a good framework to monitor and evaluate spendings for cross-sector cultural projects e.g. culture on prescription. Studies show that lots of public financing is spent without proper monitoring of the effects.

In many cases, there is no readily accessible method for setting compensation rates that both creators and cultural-market stakeholders would find acceptable. This has led to significant disparities in earnings, with emerging artists and cultural sector workers often offered wages so low that they make a dignified standard of living unattainable. Moreover, both cultural animators and artists in this sector frequently lack a foundational understanding of economics and market mechanisms.

Recommendations

For European policy creators and decision makers to unlock for culture other funds that contribute to both culture sustainability and development as well as other aims: cohesion, mental health etc. to relevant cultural activities. Much needs to be done in the area of monitoring and evaluation of the spending and its effects in areas mentioned above.

For national governments to unlock cross sector funding for culture from the health department and social politics especially. Also to make a possibility for regions and the city to help with tax relief for culture possible.

For European Cities (including Culture Next members) to build a book on best practice and to share knowledge, and make courage to experiment with different types of fundings. Good example would be 1% for art in public space adopted in Sweden.

For various cultural networks to look for different models of fundraising and sharing the finances among stakeholders and make the knowledge available.

For cultural operators to embrace new technologies and new opportunities that are available. Culture is an industry that can generate an income that is much needed for all stakeholders and be brave to share the best practice.

For Culture Next itself - keep researching on the subject, make a good practice library on the web page and start experimenting among the members with creating international city funds or conduct joint research on financing culture projects.

References

Contact persons for further details:

Rafał Sakowski rafal@cityofweaves.com , +48 453 026 353

About Culture Next

The European Capital of Culture (ECoC) is one of the most recognized action programmes of the European Union. The dynamics and dimension of the process makes it attractive to cities that seek cultural, social, economic and infrastructural transformation. The hundreds of cities participating in this process bring together a vast set of learnings, good practice and knowledge that it's important to share and by doing so, to be an agent of positive action for Europe.

Culture Next's mission is to contribute to having more European Capital of Culture (ECoC) programmes implemented in European cities and regions and to define a long-term European vision on local development through culture and creativity.

Building on the experiences, processes and collaborations established during the ECoC bid, we support all cities, being them awarded or not, to implement culture-led local development programmes and policies. We are committed to deliver a sustainable impact and meaningful legacy of the ECoC programme.

Whether being ECoC labelled or not, all cities need support and inspiration in order to carry on with the implementation of their programmes. The partnerships, talents and resources mobilised through ECoC bidding make a strong base for culture-led sustainable development in these cities. We can all contribute to the success and legacy of the ECoC project.

Cities are where democracy, inclusiveness and innovation are produced, and culture is a facilitator of this entire ecosystem. More cities with cultural programmes mean more power to address European challenges and opportunities.

The European Commission's support for the production of this publication does not constitute an endorsement of the contents, which reflect the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.