BRIEFING

European Parliament

Culture and regional development

SUMMARY

Culture plays a fundamental role in human life. It is also an essential source of identity, at local, regional, national and European levels, while making a significant contribution to the EU economy. EU cultural policy relates to cultural heritage, i.e. cultural sites and museums, but also to the cultural and creative sector, for instance the audiovisual and design sectors.

The EU supports culture through a variety of initiatives, including the European Capitals of Culture scheme. A number of EU programmes also offer funding for cultural projects, for instance the Creative Europe programme, Horizon Europe and New European Bauhaus. Several regional policy funds meanwhile provide support for cultural events, the regeneration of cultural sites, the preservation of cultural heritage, cultural tourism, and cultural and creative sector businesses.

The COVID-19 pandemic has had a significant impact on the cultural and creative sector, as repeated lockdowns saw the closure of cultural institutions and infrastructure. As one of the worst affected sectors of the economy, the EU included culture in its coronavirus response investment initiatives and the REACT-EU (Recovery Assistance for Cohesion and the Territories of Europe) programme aimed at dealing with the consequences of the pandemic.

Local and regional authorities have a role to play in supporting cultural life and participation in their communities. Arts and cultural facilities are usually associated with urban centres, though they also have potential in non-urban areas, small towns and rural communities. The presence of cultural sites increases the attractiveness of a region, while well-developed cultural and creative sectors help to enhance the regional economy. Culture can also play an important role in the regeneration of disadvantaged and post-industrial areas. The European Parliament has called for increased support for culture as part of the post-pandemic recovery efforts. As Europe emerges from the crisis, culture can help to strengthen regional development.



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Introduction

The role investment in culture can play in the development of regions, and urban and rural areas is still open to debate. Culture as a policy area covers a wide range of human activity of both an industrial and non-industrial nature, which make its economic analysis a complex task.

Traditionally, in the context of EU policy, culture has referred to cultural heritage, mostly publically supported cultural institutions and infrastructure. Museums, cultural heritage sites, concert halls, opera houses and theatres represent the intrinsic value of culture and arts as a factor of a society's identity. The policy area has however evolved, now covering the cultural and creative sectors, and activities that are predominantly of an industrial nature. Publishing, audiovisual, broadcasting, video games or design sectors provide goods and services that are easy to measure against economic criteria. Data collected on both industrial and non-industrial activities offer insight into the contribution arts, culture and the creative sectors make to EU gross domestic product (4.4 % in 2019 according to a 2021 EY publication), their employment share, and the number and size of enterprises and their survival rate. It is worth comparing these sectors with other purely industrial economic sectors, as it highlights their important contribution to the economy but also the fragility of their employment structure, despite a large share of the sector's workers having tertiary education diplomas.

In 2020, employment in cultural and creative jobs accounted for 3.6 % of total employment across the EU. The pandemic caused steep reduction cultural employment levels, however: 2.6 % compared to a 1.3 % reduction in total employment. The entertainment, creative and arts sectors were hardest hit. There are twice as many self-employed people in the cultural sector compared to the average in the whole economy. Six in ten people in cultural employment have a tertiary education diploma, compared with under four in ten in the rest of the economy. Enterprises in the cultural and creative sectors account for 5 % of all businesses within the non-financial business economy. The value added by cultural enterprises in 2019 was 2.3 % of the non-financial business economy total, slightly higher than that of the motor trade sector.

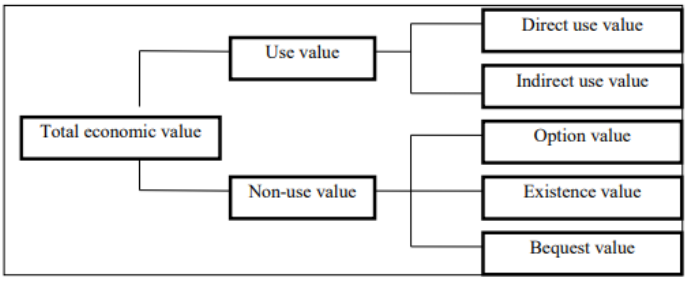
Each type of cultural activity, goods and services requires different skills, and production and distribution depend on different conditions. The digital revolution has led artists, cultural workers and the creative class to adopt new technologies and draw inspiration from new opportunities to connect digitally with their public and clients. This type of cultural activity requires new technical and entrepreneurial skills. Whether a developmental project rooted in culture is possible in a given area or region will depend on local conditions and the availability of skills or possibility to attract those who have such skills.

Culture is an identity factor, which provides a common narrative and branding opportunity. It also offers space for discussion, engagement and debate, which require artistic freedom and freedom of expression. Culture can also play a role in cohesion. However, the extent to which social and cultural capital, creativity and innovation have an economic impact is still subject to debate and research. Although the notion of culture as a public good and public support for cultural public institutions are widely accepted in the EU, culture is still perceived as a cost, rather than an asset.

The value of culture

A 2018 OECD publication analyses culture as a factor in local development. Culture as a public good refers to the prestige it confers to identity, its social contribution, or its educational value. Figure 1 shows that culture represents economic value relating to both the use of cultural services and goods, and the non-use, which refers to

Figure 1 – The value of cultural goods and services

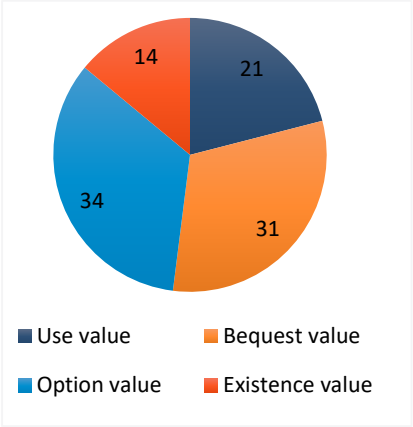


Source: Culture and local development, OECD, 2018.

their mere existence (existence value), the possibility to use them (option value) or their transmission for future generations (bequest value). Figure 2 illustrates the importance of the non-use value of culture.

In 2017, Special Eurobarometer 466, devoted to cultural heritage, confirmed the non-use value of culture as concerns cultural heritage. On average, eight in ten respondents considered cultural heritage important for them personally, for their community, their region and the European Union. Nine in ten found cultural heritage to be important for their country, while seven in ten considered it important for the EU, and agreed that the presence of cultural heritage might influence their choice of holiday destination. Almost three quarters of respondents thought public authorities should contribute more funding to European cultural heritage and eight in ten agreed that cultural heritage and related activities created jobs.

Figure 2 – Total economic value for cultural sites, as a %



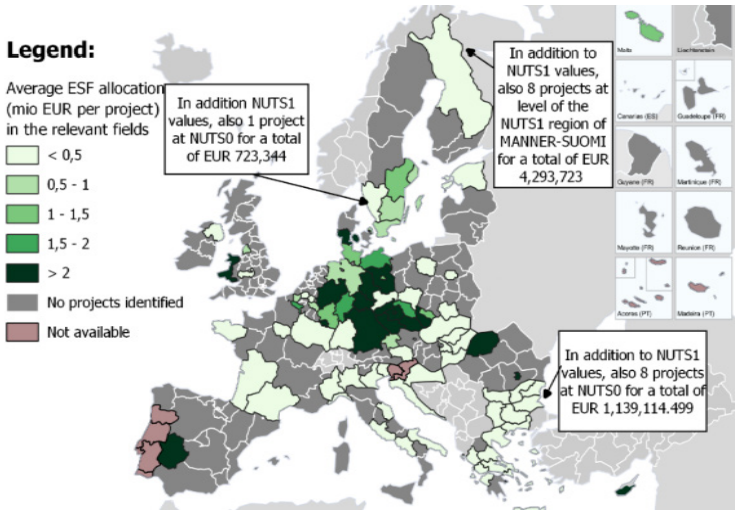
Data source: J. Armbrecht, Andersson T.D., 2013.

Culture: Urban and rural areas

Culture definitely has a role to play in the urban regeneration of disadvantaged areas. Such areas attract artists and creative professionals lacking financial means, but there is a risk of gentrification when the prices of flats in renovated buildings in revitalised districts go up. This means that the poor artists who helped to rebrand previously decayed urban or industrial areas can be priced out, leading to a lack of cultural diversity, and ultimately to social segregation.

A recent study on the impact of cultural heritage projects on societal well-being points to a positive correlation with freedom over life choices (0.30), job opportunities (0.25), making friends (0.17), volunteering (0.31), and the quality of institutions (0.35). The publication highlights that 'a higher incidence of European Regional Development Fund (ERDF) allocations in cultural heritage is associated with lower poverty risks (-0.21), severe deprivation (-0.31) and inequality' (youth not in education, employment and training rate -0.24 and employment gender gap -0.33). Figure 3 shows that very few regions take advantage of cultural heritage funding from the European Social Fund (ESF). Obviously, certain conditions, such as the presence of heritage sites or artefacts and a certain level of educational attainment, need to be met in order to put in place projects on cultural heritage in connection with employment policies. Core jobs in the sector require a tertiary education diploma, but the sector could provide professional training for auxiliary tasks.

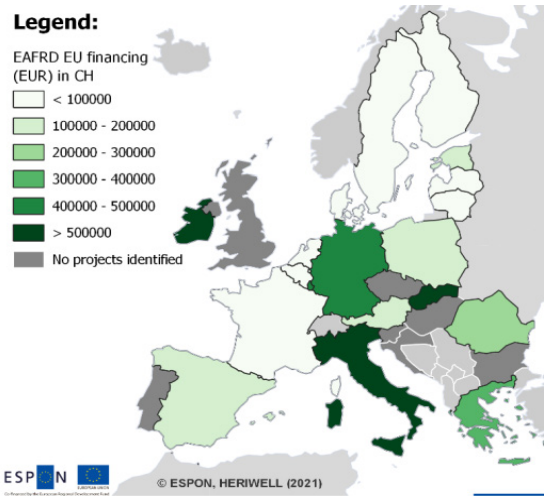
Figure 3 – Funding for cultural heritage from the ESF



Source: ESPON draft report, December 2021.

As arts and culture are generally associated with urban centres, their potential in non-urban areas, small towns and rural communities might raise questions. Figure 4 shows that only three Member States (Ireland, Italy and Slovakia) allocated more than €500 000 to cultural heritage projects for agricultural areas in the 2014-2020 period. However, art history abounds with stories of artists' colonies and the famous artists, mostly painters, writers and composers, who founded them at the end of the 19th century. Euroart – the European Federation of Artists' Colonies lists 42 artists' colonies across Europe, but there are many more. Recognition of artists, creators and entrepreneurial individuals as residents of rural communities, and their role, is growing as rural areas strive to diversify their economies.[1]

Figure 4 – Funding for cultural heritage in rural development projects



Source: ESPON draft report, December 2021.

An American study from 2007 on artists' communities in rural areas offers data confirming the cultural potential of rural areas and analyses factors in the success of some such endeavours. However, for such a community to be established and to garner benefits from arts and cultural tourism, requires a critical mass of artists and performers.[2] It is also important to be aware that cultural and artistic activities that do not depend on an external public or the tourist sector are easier to introduce in rural areas and small towns.

The interdependence between arts, cultural and other economic sectors is complex and spillover effects differ across sectors. Some cultural sectors, such as cultural heritage, have strong links with the tourist and hospitality industries, including in rural areas and small towns, where they can combine with natural heritage sites. Rural, intangible, cultural heritage is attracting growing numbers of tourists but runs the risk of 'Disneyfication'. An authentic tradition can lose its original meaning when it undergoes industrial and commercial processing, is commodified and sold to tourists. As a result, the area obtains economic benefits but suffers identity loss.

Culture-led local development

As culture represents so many different areas of activity, culture-led local development can focus on any of the following elements:

- museums and cultural heritage sites;
- the cultural and creative sectors;
- digital culture;
- cultural tourism, which is linked both to cultural heritage sites and museums;
- performing arts and festivals, which require specific infrastructure; and
- education and training in specific skills.

A June 2021 Eurocities study, devoted to cultural heritage and its impact of on regional development, noted that cultural project management – in particular cultural heritage projects – required a multipolar approach, as the policy area is heterogenic and has various effects on territories. It also highlighted the need for cross-sectoral cooperation and a strong participatory approach involving a diverse group of inhabitants.

Louvre-Lens: A case study in culture-led development

The Louvre-Lens Museum is a French cultural project developed with co-funding from the ERDF (€37.6 million of a total of €201.4 million). The original idea was to replicate Bilbao's Guggenheim success story, as the regions were both declining mining areas in need of new vital forces for their development. According to a May 2021 financial analysis of the museum, the Louvre-Lens has not hit its original target of 550 thousand visitors a year. However, in 2019 it did reach 530 thousand visitors, growing year by year. In 2020, like others worldwide, the museum was forced to close owing to the pandemic.

Whereas Guggenheim Bilbao has international ambition (30 % of its visitors come from abroad), the Louvre-Lens project is still a work in progress (currently at 16 % foreign visitors). Nevertheless, the French museum can boast a number of achievements, which could help it towards its economic objective of local economic revival based on a local, social vision. The Louvre-Lens is the third most-visited regional museum in France, confirming its regional ambition. Residents of the region represent 70 % of visitors, a percentage that is growing constantly. While the objective of 20 % of visitors connected with school visits has been achieved, the target number of 110 thousand school visitors has not. Nevertheless, young people aged under 18 represent 41 % of visitors.

The museum has a deliberate policy of free-of-charge access, except for temporary exhibitions, it also offers a generous array of reduced tickets. This decision is well rooted in the social mission of the museum, which is located in an area with one of the highest unemployment rates and lowest levels of education and income in France. Compared with 45 % on average in other French museums, 67 % of visitors to Louvre-Lens have not completed university level studies and 17.6 % are not or little accustomed to museum visits (against an 11.4 % national average). Most visitors (53 %) consider that the museum facilitates access to culture for all (national average 44 %). The museum manages to attract families; they represent 38 % of visitors, which is 10 percentage points higher than the national average. Furthermore, one in two families has already visited the museum (which is two and a half times the national average). Finally, 94 % of visitors are satisfied with their visit. The Lens Museum offers a wide range of activities, including film shows, performances, outdoor activities in its gardens, educational and inclusive projects, and other initiatives going beyond its premises to hospitals and prisons.

The Lens-Liévin Conservation Centre, also co-funded by the ERDF, and inaugurated in 2019, develops partnerships with the many museums of the region, and organises training courses and other activities relating to the management of collections. Scientific and cultural cooperation with the universities of the Hauts-de-France and further education institutions such as the Institut National du Patrimoine (INP) should help the centre to achieve its goals and become one of Europe's most important research facilities and cultural hubs.

Since 2013, the Louvre-Lens Museum project has been part of Eurolens, a collective intelligence platform aimed at approaching the region's development from various angles. By way of example, a four-star hotel was set up in the area, creating 527 jobs. Other projects include 'cité Bruno' in Dourges, 'Métaphone 9-9bis' in Oignies, 'cité des électriciens' in Bruay-la-Buissière, and the Louvre-Lens Valley innovation hub. In 2017, UNESCO put the mining area on its World Cultural Heritage list. As a result, urban infrastructure in the area has undergone renovation works. New projects are underway and help offer other tourist experiences, contributing to more complex tourist and economic development of the area. A local survey indicates that 88 % of respondents have a positive or a very positive image of the mining area, and 97 % have a positive or a very positive image of its transformation. This is a major change among inhabitants of this poor area, who are proud of its recent achievements. As inhabitants find interest in culture and education, and see their future where their roots are, the region's economic prospect can be encouraging.

Where culture meets regional development in EU policies

The European Union has no legislative competence for cultural policies but can support Member States' action devoted to culture, such as measures to safeguard and enhance Europe's cultural heritage and preserve cultural and linguistic diversity. However, the EU does have a legal obligation to mainstream culture through all policy areas (Article 167(3)) of the Treaty on the Functioning of

the European Union). With respect to the cultural and creative sectors, the EU must assist Member States in addressing the industry's challenges.

The main EU policy documents referring to cultural policy define its objectives and ambitions:

The new European agenda for culture of May 2018 confirmed the conclusions of the November 2017 Gothenburg Leaders' Summit where EU leaders highlighted the economic and social importance of culture and cultural heritage and its role for European identity. The European Commission recognised in the agenda that cities and regions are at the forefront of culture-led development and constitute natural partners for experimentation, anticipating trends and exploring models of social and economic innovation. Among its ambitions in this field, the Commission mentioned:

- ensuring the availability of cultural activities and active participation;
- encouraging the mobility of cultural and creative professionals;
- raising awareness of Europe's cultural heritage and its role in shaping a common identity.

The Commission also recognised the contribution of culture to urban regeneration, tourism and growth, and pledged to:

- promote artistic and cultural education and training;
- promote the skills needed by cultural and creative sector workers – including digital, entrepreneurial, traditional and specialised skills;
- form ecosystems for the cultural and creative industries, fostering access to funding and innovation as well as fair remuneration for artists and authors.

The European Commission plays three main roles as regards supporting culture at local level:

- providing local and regional authorities with financial support.
- raising awareness about the potential benefits of the cultural and creative sectors for regional and local development; and
- helping local and regional authorities formulate integrated strategies.

In December 2019, the Council adopted conclusions on the work plan for culture (2019-2022), which reflected the vision of the new European agenda for culture. The plan stresses that Member States should pay special attention to the role of culture at local level, and to the quality of architecture and the living environment, and defined the following priorities:

- sustainability of cultural heritage;
- cohesion and well-being;
- an ecosystem to support artists and creative people as well as European content;
- gender equality; and
- international cultural relations.

The European framework for action on cultural heritage resulted from events and debates on the subject during the 2018 European Year of Cultural Heritage. The document presented recommendations and its authors hoped it would inspire EU regions and cities to develop initiatives relating to cultural heritage. Among its five pillars, pillar 2 focused on sustainability aspects and proposed three clusters of actions:

- regenerating cities and regions through cultural heritage;
- exploring the adaptive re-use of heritage buildings;
- balancing access to cultural heritage with sustainable tourism and natural sites.

The authors noted that a sustainable approach had been applied successfully to underused heritage buildings, such as former schools, hospitals, railway stations, cinemas, theatres, hotels, offices, etc. Pillar 3, centred on resilience, highlighted the issue of the quality of physical interventions on cultural heritage undertaken by national, regional and local authorities, particularly those funded by the EU. Other pillars focused on inclusiveness, innovation and global partnerships.

The cultural and creative sectors and industries also offer development opportunities for regions and cities and are the focus of EU policies and funding. The Horizon Europe programme on research and innovation (2021-2027) has a new focus on the cultural and creative sectors. The idea is to form innovation ecosystems to connect regional and national innovation actors, while also supporting innovation ecosystems and interregional partnerships in their smart specialisation activities.

Dialogue sessions with stakeholders

In February 2020, Voices of Culture, representatives of the cultural and creative sectors, held dialogue sessions on 'The role of culture in non-urban areas of the European Union'. The debates resulted in a report, published in April 2020. It stressed a lack of cultural institutions, creative makers and participants in cultural offers, the under-utilisation of urban-suburban-rural cooperation potential in culture, uneven availability and distribution of cultural funding and access to support structures in most areas outside the main urban centres, and a lack of understanding among policy makers of many aspects of culture in non-urban areas.

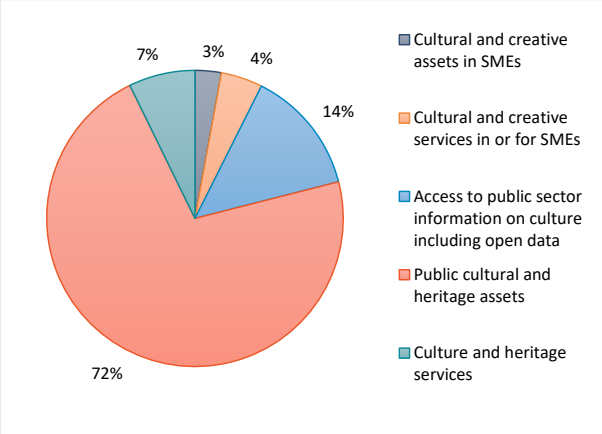
Funding for projects with a cultural and regional dimension

A 2020 study on the impact of cultural heritage on societal well-being in European regions provides data on allocations devoted to cultural heritage planned for the 2014-2020 financial period. The data analysed covers various EU funds, including the European Regional Development Fund (and European territorial cooperation), the European Social Fund, the European Agricultural Fund for Regional Development, and the Creative Europe programme.

Allocations from these programmes go to specific regions and thus their regional impact can be compared and evaluated. The maps included in the publication show which regions allocate the most funds to cultural heritage projects, by funding programme.

The study shows that about €6.7 billion in ERDF funds (equivalent to 3.1 % of the total allocated to the funds) was invested in the culture sector in the 2014–2020 programming period. Cultural heritage projects dominate while the cultural and creative sectors represent a small share of the funding (Figure 5).

Figure 5 – ERDF funding for the cultural and creative sectors and cultural heritage, as a %



Data source: ESPON draft report, December 2021.

The Horizon 2020 research programme project 'Cultural and Creative Regional Ecosystems' (CCRE-S3) brought together artists, designers, architects and urban planners with cultural heritage professionals from cultural institutions, cultural operators involved in promoting cultural participation, engagement and communication, and professionals from the publishing and audiovisual sectors. The objective was to gain new insights and find new opportunities for local communities in the realm of culture and creativity, linked to the use of new technologies in the cultural and creative industries.

Another Horizon 2020 project, RURITAGE, focused on rural cultural and natural heritage and its role in local regeneration. Local communities could join rural heritage hubs either to serve as role models or as areas where such models are replicated. They explore innovation aspects from various perspectives, such as pilgrimage, migration, arts and festivals, local food, landscape and resilience.

In its 2021-2022 work programme, Horizon Europe (cluster 2, devoted to culture, creativity and inclusive societies) envisaged projects centred on cultural heritage and the cultural and creative industries. The goal was to promote European cultural heritage and arts and boost their

competitiveness, interlinking cultural heritage, the creative and cultural industries and new forms of artistic and cultural expression, while benefiting from innovation and modern technologies. The design and identity of products developed based on local crafts and arts can shape the public image of regions and involve local communities. Regions and cities can explore participatory management of their museums and cultural institutions, driving creativity and innovation, and fostering sustainable growth and regional development. Traditional crafts can benefit from cutting-edge technologies to develop new, improved products, services and professions, benefiting regions.

The Joint Research Centre (the Commission's science and knowledge service) regularly updates its Cultural and Creative Cities Monitor. The on-line tool ranks participating cities and smaller towns in accordance with 29 indicators. Divided into three categories, they cover: cultural vibrancy (the number of cultural venues and facilities, cultural participation and attractiveness); the creative economy (creative and knowledge-based jobs, intellectual property and innovation, new jobs in creative sectors); and the enabling environment (human capital and education, openness, tolerance and trust, local and international connections, and quality of governance).

The Creative Europe programme is the EU's only funding programme aimed purely at cultural projects. Its cross-sectoral 'cultural and creative spaces and cities' strand helps local decision-makers make better use of public spaces for social and urban regeneration through culture, including aspects of collaborative economy and innovative models for public service delivery.

European Capitals of Culture (ECoC), receives €60 million from the Creative Europe programme in the form of the Melina Mercouri prize, and has focused increasingly on local and regional development. In 2014, Umeå in northern Sweden got the title and the year-long celebrations generated lasting effects for the cultural and tourist sectors, creating new jobs and, most importantly, culture benefiting the whole region. The focus was on co-creation, an open source approach that successfully included indigenous Sami culture.

In 2022, Luxembourg's Esch-sur-Alzette, European Capital of Culture, with only 36 000 inhabitants, has extended its regional scope to other municipalities in Luxembourg and also in France. The organisers are trying to spread the year-long celebrations across the region, going beyond national borders, creating links, engaging in cooperation and spreading the effects of the cultural celebrations across a wider area.

Many local and regional-level pilot projects on cultural heritage and creative and cultural industries do experimental work. For example, the FLIP project experiments with finance, learning, innovation and patenting in the cultural and creative industries, targeting professionals who needed to improve their managerial skills and knowledge transfer in the cultural heritage sector and linking them to the cultural and creative industries (CCIs) and regional policies.

The INCREAS pilot project forges links between cultural heritage, the CCIs, and the traditional skills needed for the restoration, preservation and maintenance of traditional buildings. One of its objectives is to provide for the '(further) education of professionals, volunteers and interested public, as well as presentation tool for Cultural Heritage and CCIs to the same groups, plus linking them to the respective region and inhabitants', which gives the project its regional rooting.

S+T+ARTS regional centres bring the original STARTS (innovation in science, technology and the arts) initiative to local communities in a number of European regions. Its pilot project 'Repairing the Present' residencies bring together entrepreneurs, scientists, researchers, artists and business mentors to focus on contemporary creativity, cultural experimentation, and innovation. The idea is to bring new solutions and development opportunities to regions and pool experiences.

The European Year of Rail 2021, promoted intra-EU tourism and offered a new perspective on industrial heritage such as the preservation of historic railway stations, bridges, viaducts and depots.

Cultural tourism and new technologies

Many European regions and cities rely heavily on cultural tourism, and technology can help them reinvent it. The COSME programme supports the competitiveness of small and medium-sized enterprises (SMEs), including in those in the CCIs, that are lagging behind in their uptake of modern technologies and skills. Its 2017 call for proposals focused on support for the promotion of transnational thematic tourism products linked to the cultural and creative industries.

Culture in the 2021-2027 cohesion policy framework

EU cohesion policy is a major tool financing economic and social development, as it accounts for about one third of the EU budget. In the 2021-2027 period, the amount dedicated to cohesion policy funds is €392 billion. Various funds contribute to financing cultural activities and events, the regeneration of cultural sites, the preservation of cultural heritage, the development of cultural infrastructure (such as museums), cultural tourism, and CCI sector jobs and businesses.

The 2021 Common Provisions Regulation (CPR) sets out five cohesion policy objectives for the 2021-2027 period. These relate to smart economic transformation, green transition, improved transport, social inclusion, and territorial development. While all objectives can impact the cultural sector indirectly, the provisions where culture is mentioned specifically include:

- Policy objective 4 – A more social and inclusive Europe implementing the European Pillar of Social Rights; with the following specific objective:
- enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation.
- Policy objective 5 – A Europe closer to its citizens, fostering the sustainable and integrated development of all types of territories and local initiatives; with the following specific objective*:*
- fostering integrated and inclusive social, economic and environmental development, culture, natural heritage, sustainable tourism, and security in urban and non-urban areas.

The implementation of these objectives is measured through a number of indicators (Annex I to the CPR). In the field of culture, these include: the number of cultural and tourism sites supported, visitor numbers at the cultural and tourism sites supported, the population covered by integrated territorial development strategies, community-led local development strategies supported, etc. Progress on implementation of these objectives and evaluation of cohesion policy impacts is to be published periodically on the European Commission website. No evaluations are available yet for the 2021-2027 cohesion policy period owing to delays in the roll-out of the policy as a result of the pandemic. According to the Commission's eighth report on economic, social and territorial cohesion, adopted in February 2022, significant cohesion policy funding in the 2014-2020 period was spent on preserving cultural sites and encouraging sustainable tourism. Positive results included safeguarding the archaeological site at Pompeii and improving its accessibility, which increased visitor numbers by 62 % (between 2012 and 2019), and the establishment of an integrated network of natural and cultural tourist sites in the Świętokrzyskie region.

The main funding sources for EU regional development are the four funds that make up EU cohesion policy in the 2021-2027 period. Almost all of them include some funding lines relevant to culture in a direct or indirect way. The ERDF contributes to the policy objectives mentioned above, and others relating to SME support, digitalisation and skills development.

The general objective of the **European Social Fund Plus** (ESF+) is to help countries and regions 'achieve high employment levels, fair social protection and a skilled and resilient workforce ready for the future world of work, as well as inclusive and cohesive societies aiming to eradicating poverty and delivering on the principles set out in the European Pillar of Social Rights'. While the legal provisions establishing the fund do not mention culture among its objectives, actions such as

'activation of jobseekers, promotion of self-employment, adaptation of workers, promoting lifelong learning, upskilling and reskilling, facilitating career transitions, promoting socio-economic integration and social inclusion' could be relevant to culture. Moreover, the definitions section of the ESF+ Regulation mentions the 'participation in society in a personal, civic, cultural, social or employment-related perspective' in the context of lifelong learning and 'cultural awareness and expression' as a key competence for all individuals.

The **Just Transition Fund** (JTF), with a budget of €17.5 billion (in 2018 prices) is dedicated primarily to regions that are heavily reliant on fossil fuels and high-emission industries. Its specific objective is to enable 'regions and people to address the social, economic and environmental impacts of the transition towards a climate-neutral economy'. Activities supported by the JTF include investment in new firms, reskilling, and the regeneration and decontamination of sites, land restoration and repurposing projects. Many former industrial or mining sites have already been converted into cultural venues, for example the Silesian Museum in Katowice, Poland, and the Louvre-Lens Museum in France. While the just transition plans outlining spending details have not yet been rolled out, it is possible that similar projects will be funded by JTF in the 2021-2027 period.

The Interreg programme (also financed from cohesion policy) promotes European territorial cooperation and offers funding opportunities for cross-border projects, including cultural ones. According to the Interreg Regulation, the programme's 2021-2027 budget is over €8 billion (2018 prices) and can support all policy objectives under cohesion policy. Examples of cross-border cooperation in the area of culture include Interreg Germany-Denmark promoting intercultural understanding and the joint project of Hungary, Slovakia, Romania and Ukraine, promoting local culture and preservation of historical heritage.

Support for culture during the COVID-19 pandemic

As coronavirus restrictions and lockdowns continued throughout 2020 and 2021, the cultural sector was among the worst affected. A number of EU support measures were adopted to help. In April 2020 the Coronavirus Response Investment Initiative (CRII), later supplemented by CRII+, re-directed €37 billion in cohesion policy funds (ERDF, Cohesion Fund and ESF) to mitigate the socio-economic consequences of the pandemic in a variety of sectors. While focused primarily on healthcare and SMEs, the funding could also be used to support culture. The measures under these initiatives included a 100 % financing rate on the part of the EU, i.e. not requiring the usual Member State top-up. In May 2020, the Commission announced the REACT-EU programme (Recovery Assistance for Cohesion and the Territories of Europe) with entirely new funding of €50.6 billion, in current prices. The December 2020 REACT-EU Regulation mentions culture as one of the key sectors to be supported. In addition to this EU regional policy support, a number of other programmes have been adapted to enable increased EU support for culture at national level. The Next Generation EU instrument urges regions to identify strategic areas for intervention (research and innovation, and smart specialisation strategies), which can channel support for the audiovisual and news media sectors to enable their contribution to objectives such as SME competitiveness, improving access to culture, digitisation of services, sustainable tourism infrastructure and ICT.

New European Bauhaus

Announced in September 2020 by Commission President Ursula Von der Leyen, the New European Bauhaus (NEB) initiative aims to connect the European Green Deal to people's daily lives and living spaces, spanning the domains of culture, design, energy efficiency and social inclusiveness. A Commission communication on the initiative, published in September 2021, provides access to EU funding for aesthetic, sustainable and inclusive building projects. A number of NEB prizes are also to be granted every year. A recent call for applications – Support to New European Bauhaus local initiatives – invited cities and towns to suggest 'inspiring place-based transformative projects'. Twenty project concepts will be selected, and municipalities will be offered technical assistance to

help turn the projects into reality. A variety of cohesion policy projects and funding lines can also be used in support of the NEB initiative.

European Parliament resolutions

Back in 2009, the European Parliament adopted a resolution on the role of culture in the development of European regions. It stressed that regional and local development strategies that incorporate culture, creativity and the arts contribute significantly to better quality of life in European regions and cities by fostering cultural diversity, democracy, participation and intercultural dialogue. Parliament called on the Commission to present a green paper with a range of possible measures for contemporary cultural activities to strengthen cultural development in Europe's regions, and looked forward to seeing the study on the influence of culture at regional and local levels, together with conclusions and possible actions. Parliament also called for action and awareness campaigns on the role of cultural projects in regional development.

Parliament's December 2018 resolution on the new European agenda for culture stressed that crisis situations result in cuts to cultural budgets, and underlined the crossover impact of culture. As a result, Parliament called on the Commission and the Member States to report on funding allocated to culture across all funding programmes and ensure that it represented at least 1 % in the next funding period. It also invited the EU regions to designate culture, cultural heritage and the cultural and creative sectors as priorities in the structural funds and encourage Member States to include a cultural dimension in the strategic objectives of their operational programmes.

European Committee of the Regions

In February 2021, the European Committee of the Regions (CoR) adopted an opinion entitled 'Restart of cultural and creative sectors'. It called for more EU projects to promote the social aspects of culture, where experimentation and innovation in contemporary visual arts could play a role in the regeneration of peripheral, rural or vulnerable urban areas. The CoR recommended building the cultural and creative sectors into EU instruments such as REACT-EU and SURE that address pandemic-related challenges in the area of businesses and jobs, in order to ensure that the cost of supporting culture did not weigh on the budgets of cities and regions. The CoR also offered to contribute to the debate on the status of artists and their mobility in the most remote parts of the EU. This echoed the CoR's 2019 opinion on the Creative Europe programme and the new European agenda for culture, which highlighted the need for local and regional authorities to promote and celebrate the artistic and cultural lives of their communities. The Committee stressed the need for the programme to strike the right balance between funding for major, large-scale projects and local and regional level projects, including those involving small and medium-sized companies.

Outlook

As the COVID-19 pandemic brought all except on-line artistic and cultural activities to a halt, in 2020, the European Parliament's Committee on Culture and Education (CULT) called for strong measures to support CCI workers and facilities during the crisis and the recovery. The recovery process may be long and full of hurdles as culture features among the sectors hardest hit by the sanitary measures. In September 2020, the German Presidency of the Council of the EU supported the call from the Parliament's CULT committee to earmark 1-2 % of EU recovery funding for culture and media to root firmly the sector in recovery plans by governments. By May 2022, however, only 16 Member States had followed this recommendation to include culture in their national recovery and resilience plans and their level of support for culture is much lower than the recommended threshold.

Russia's invasion of Ukraine has further aggravated this already difficult situation and further threatened the EU's economic outlook. Once again, cultural spending risks suffering the financial cuts usual in times of economic hardship.

The resilience of culture as a vector for recovery will depends partly on national governments' recognition of the essential role it plays in society and economy. However, decision-makers at local and regional levels also need to do their work and analyse the cultural assets they have in their areas, and empower their local populations develop their creativity; as every community has its story to tell, and its traditions and architecture to be rediscovered, promoted and used to inspire.

The EU's new 2021-2027 financial planning period began during the pandemic, and EU funds are available to be used creatively for the good of local communities, to nurture their sense of belonging and entrepreneurship. By harnessing artistic and entrepreneurial freedom, the funds can generate positive results in economic, social and artistic terms. The pandemic has inspired people to re-discover local tourism, local cultural gems and local artists. It has also accelerated digital transformation, which is a good tool to promote local sustainable cultural tourism and local artists and creativity. The digital and green transformations are combining well to promote cultural spaces in urban and non-urban areas in line with the New European Bauhaus concept. Culture can be sustainable, green and digital and it reaches the most remote areas, as it always has done.

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