

WORLD
CITIES
CULTURE
FINANCE
REPORT

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New York Brooklyn Bridge. Photo © Alexandra Neuber, NYC& Co.

Report Headlines

Worldwide, the cultural sector is funded by a complex mix of earned income, public funding, private sponsorship and charitable donations. Cultural policymakers need to be resourceful and aware of the full ‘toolkit’ of options that can be used to help support culture in world cities.

This is the first global comparative study on how culture is financed in world cities. It draws on detailed quantitative and qualitative data provided by sixteen members of the World Cities Culture Forum. Its key findings include:

- Capital cities attract a large share of national culture budgets because of the size and extent of their historic cultural infrastructure.
- In three cities – Paris, Moscow and London – well over \$1 billion of public, culture-dedicated money is spent per year.
- San Francisco, New York City and Shanghai fund culture primarily at the world city level, with almost no role for national government.
- Over 60% of all public direct culture funding is provided by city and local government.
- Chinese cities are placing a greater priority on investing in newer and more commercial cultural forms, and in the creative industries in particular.

- In United States cities, culture funding is dominated by private giving. Outside of the US, with the exception of Tokyo, no other city has more than 19% of total funding from private sources.
- Individuals dominate private giving to culture in the US and UK. Corporations dominate private giving in Asia.
- Indirect public funding, including tax breaks and fiscal incentives, is growing in importance. Cities need to get better at capturing this and measuring its impact.
- New models of funding – such as social finance and public match funding for crowdfunding campaigns – are starting to appear. However it is too early, and they are too small-scale, for their effects to be measured.
- Institutional complexity in public funding has increased in most world cities, but this means data is harder to capture and analyse. Policymakers also need to ensure that policy is joined up across diverse institutions and stakeholders.

Introduction

This report is the first global comparative study attempting to unravel and shed light on the complex question of how culture is financed in world cities. It draws on detailed quantitative and qualitative data provided by sixteen members of the World Cities Culture Forum, covering:

- how cultural expenditure is financed
- the mechanisms through which resources are distributed and invested (including new financial models that are being launched and tested)

It focuses primarily on two important gaps in the evidence: public funding and private giving.

Why is this report needed?

Thirty-three world cities are members of the World Cities Culture Forum. We aim to collect data that helps member cities reflect upon their policies and practice – and, if necessary, to improve their effectiveness and impact.

A great deal of public and private money is spent on supporting culture in our member cities, and others like them. Yet no one really knows quite how much is spent, nor by whom – let alone where this money goes and the impact of this spending. These are serious gaps for policymakers.

Finding insights to fill these gaps is vital, particularly now. Public finances, consumers' disposable income, corporate sponsorship and the value of endowments and financial investments are all volatile and or/under pressure in today's world. Cultural policymakers need to be resourceful and aware of the

full 'toolkit' of options that can be used to help support culture in world cities.

Funding for culture is a complicated subject. In most countries and cities, the cultural sector is a mixed economy: some organisations are wholly for profit, some are publicly-owned and others are not-for-profit independents and charities. These organisations rely on a combination of earned income, public funding, private sponsorship and charitable donations, with the precise mix varying according to local context.

Public funding for culture is provided by different tiers of government, from the nation state down to local government, each with their own defined scope and powers with regards to culture. Further complicating the landscape, in many countries and cities public funding goes not just to publicly-owned organisations, but also to not-for-profits and sometimes also for-profit enterprises.

This complexity has so far largely stymied researchers, leading to an almost complete lack of published research on how public authorities (in particular) fund culture in cities. This report is a first contribution towards giving cities the knowledge they need to understand and assess the cultural funding landscape.

What is the specific focus of the report?

We focus on two important gaps in the evidence: public funding and private giving. Although public funding is generally not the biggest component of revenues to culture, ^{1/} it is almost always present, even when delivered indirectly. Having data about the public funding of culture is important because:

- Public funding of culture is used to achieve a wide variety of public policy goals, usually goals that would not be met in their entirety (or would be less equitably achieved) if left to the market. It is the only form of funding in the cultural sector that explicitly has to act in the public's interest and for which the state is directly accountable.
- Knowing how much public money is being spent, by whom and in what ways, provides valuable management information as well as opportunities for knowledge sharing and learning.
- State funding is often designed to incentivise others to invest in culture.

Private giving to culture is also an important focus for this research. In some cities, particularly in the United States, private giving – by individuals, trusts and foundations and companies – is larger than state investment. In other cities it is relatively insignificant, but some national governments are experimenting with tax incentives in the hope that these will encourage private giving. This report seeks to quantify individual and corporate philanthropy

and reports on initiatives aiming to encourage it.

Once it is possible to identify and quantify both public funding and private giving, then ultimately it will be possible to derive a value for earned income within the cultural sector. ^{2/}

^{1/} For instance, the two largest public funders of the UK's performing arts and music sector provided £0.92bn in funding in 2014 [Arts Council England (Grant in Aid and Lottery) = £0.68bn (Arts Council England Annual Report 2014/15) and the English local authorities = £0.24bn (DCLG Local Authority Revenue Outturn Summary 2014-15)]. While the total turnover of the sector is not widely published (which would be the proper comparison to use), the much smaller figure for the Gross Value Added of the sector was still comfortably more than five times this value, at £5.4bn over the same period (DCMS 2015 Creative Industries Economic Estimates).

^{2/} This is because total revenues in culture = A (Earned income) + B (Public funding) + C (Private giving). As the value of all revenues are represented in the turnover of the cultural sector (T = A+B+C), which can be calculated in many cities from official government statistics, then earned income A = T-(B+C).

Is there a 'best' way to fund culture?

There are strong differences of opinion – both within and between cities and countries – on the 'best' approach to funding culture.

Each city and country has its own mix of funding models, strongly influenced by:

- stage of development and relative wealth
- the political and administrative division of responsibilities between nation state, region/province, city and local government
- the wider political economy of the country (and in particular, by attitudes to the market).

At one extreme, government investment is seen as the best guarantee that the interests of all of the public – as opposed to only the wealthy or well-educated, for instance – will be served. State funding is seen as differing from the market in that it views culture not only as a commodity but as a common inheritance, linked to individual and collective identity, which needs to be nurtured and sustained. At the other extreme, public funding of culture is seen as too prone to capture by special interests (particularly producers of culture at the expense of audiences), too bureaucratic and inefficient in operation, and too prone to state interference in content and freedom of speech.

Philanthropy is not immune from similar debates. When it is driven by individual giving, many see it as a strongly democratic form of funding, which requires cultural organisations to understand and respond to their audiences and supporters (who cross

over significantly) in order to secure their backing. However, when philanthropy is driven by corporate giving, or when individual giving is dominated by the very wealthy, many worry that the result is culture that is funded by elites for elites, or culture which becomes reduced to a marketing tool for a brand.

There is no easy resolution to these debates. Nonetheless, the above criticisms suggests that having a mix of different sources of funding is likely to provide better outcomes than having just one source of funding.

Because of the lack of data, the debate over funding for culture tends to rely on theoretical critiques associated with political ideology, rather than on engagement with evidence.

A very small body of comparative work on the public funding of culture exists at the national level, but this is limited to particular funding mechanisms ^{3/} or to particular regional blocs. ^{4/} No-one has previously attempted to undertake systematic empirical research examining different systems of public funding in a comparative context in world cities. The interweaving of the various public funding streams that occurs at the world city level significantly increases the complexity of the research, but it is at this city level where the articulation between cultural policy and sustainable urban development takes place.

^{3/} Ernst & Young (2006) *The way to cultural diversity in tax policies: The Ernst & Young international survey on tax policies in the cultural sector.*

^{4/} Directorate General Internal Policies of the Union: Culture and Education (2006) *Financing the Arts and Culture in the European Union.*



How the research was undertaken

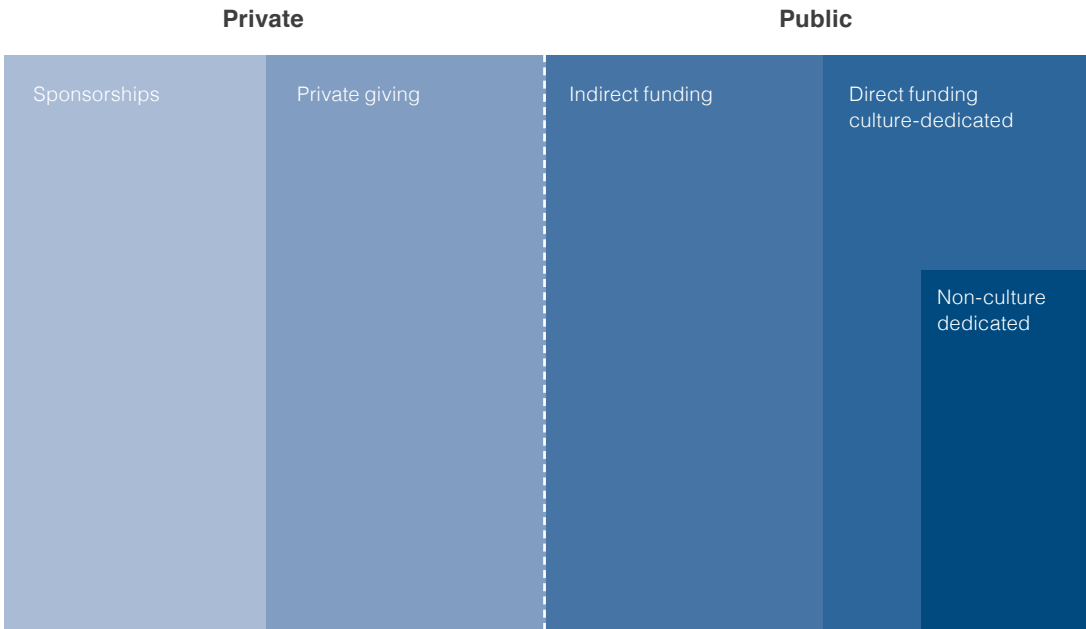
Our research tackles the complexity of the subject head on. We have captured and de-duplicated data on public expenditure on culture at all relevant government levels. For the large majority of our cities this is three levels: national/federal, world city (usually the metropolitan area/city region), and local (the combination of local authorities or municipalities that make up the world city). By de-duplicating, we mean that we have avoided double counting expenditure streams. For instance, where money from national government is given to local authorities for them to spend as they wish on culture, this has been counted at the local level and not at the national level.

The quantitative data reported in the overview of each city chapter, and reviewed in the comparative analysis,

focuses on revenue funding, excluding capital expenditure. Where relevant, we have provided information on capital expenditure within the narrative of the city chapters, and within the narrative on private giving in the comparative analysis.

As in previous WCCF reports, we have started with the UNESCO definition of culture. To simplify data gathering, we collapsed the six UNESCO domains into three (Arts; Cultural heritage; Creative industries), hoping that this would enable cities to report on the broad sectoral profile of public funding. In practice, this proved impossible as many/most budget lines and expenditure items (at different levels of government) combine funds related to all domains. Similarly it was also impossible to consistently identify how particular expenditures related to the different stages of the culture cycle (e.g. production, exhibition, consumption).

Image: Courtesy of City of Toronto.



We have divided the data collection into three main categories, with a number of sub-divisions:

Public direct funding:

- Culture-dedicated funding:** Mainly expenditures by ministries of culture and culture departments, ‘arms length bodies’ (ALBs) responsible for grant making such as arts councils, and cultural programmes funded by other departments (e.g. cultural education programmes funded by education departments).
- Other public funding:** Cultural expenditures by organisations that are not culture-dedicated and whose spending is not targeted at the cultural sector alone, such as departments of trade and inward investment promotion, international development, or health.

Public indirect funding:

‘Tax expenditures,’ the value of tax reliefs applied to the cultural sector. They are called ‘expenditures’ because they represent a cost to the state of money which would otherwise have been collected as tax revenue. The more common term, fiscal incentives, alludes to an important feature of tax expenditures: they are designed to incentivise other actors (beyond the state) to invest in culture. For example, individuals and businesses that want to donate to culture, or production companies that are seeking a location in which to shoot and make films.

Private giving and sponsorship:

All donations and sponsorship provided by individuals, businesses, and trusts and foundations.

This research is primarily concerned with expenditure. However, the city’s case studies also show how public money is raised for the cultural sector, other than from general taxation. In particular, they identify whether there are any specific ‘hypothecated’ taxes (taxes that produce revenues that are ring fenced for a particular purpose) which support culture. They also identify cities that are experimenting with new models, whether public or private, to raise funding for culture.

The ‘most recent’ year for which data is available inevitably varies between cities. To aid comparison, all financial data has been converted into US dollars and one fixed conversion rate has been chosen for each city (depending on the date of the data).

City name	World city level	Regional level	Local level
Amsterdam	Amsterdam Metropolitan Area	N/A	7 city districts
Brussels	Brussels-Capital Region	N/A	19 municipalities (including City of Brussels)
Istanbul	Istanbul province	N/A	39 district municipalities
London	Greater London	N/A	32 boroughs and City of London
Los Angeles	Los Angeles County	California State	88 municipalities
Moscow	City of Moscow	N/A	11 prefectures
New York	New York City	New York State	5 boroughs
Paris	Île-de-France	N/A	1,281 municipalities
San Francisco	City and County of San Francisco	California State	N/A
Seoul	Seoul Special City	N/A	25 Gu
Shanghai	Shanghai Municipal District	N/A	15 local districts
Shenzhen	Shenzhen Municipal District	N/A	10 local districts
Stockholm	Stockholm County	N/A	26 municipalities (including City of Stockholm)
Sydney	Metropolitan Region of Sydney	New South Wales	43 councils
Tokyo	Tokyo Metropolis (Tokyo prefecture)	N/A	62 local authorities
Toronto	City of Toronto	Ontario	N/A

Table 1. City definitions used in this report

The art of the possible: an exploratory study

Undertaking this research was complex and took well over 18 months to conclude. It has required several rounds of correspondence and iterations of the data between the BOP research team and the participating cities in order to arrive at the final data set used in the report. (Further details on how it was undertaken, and the data sources used, are included at the back of each city case study.)

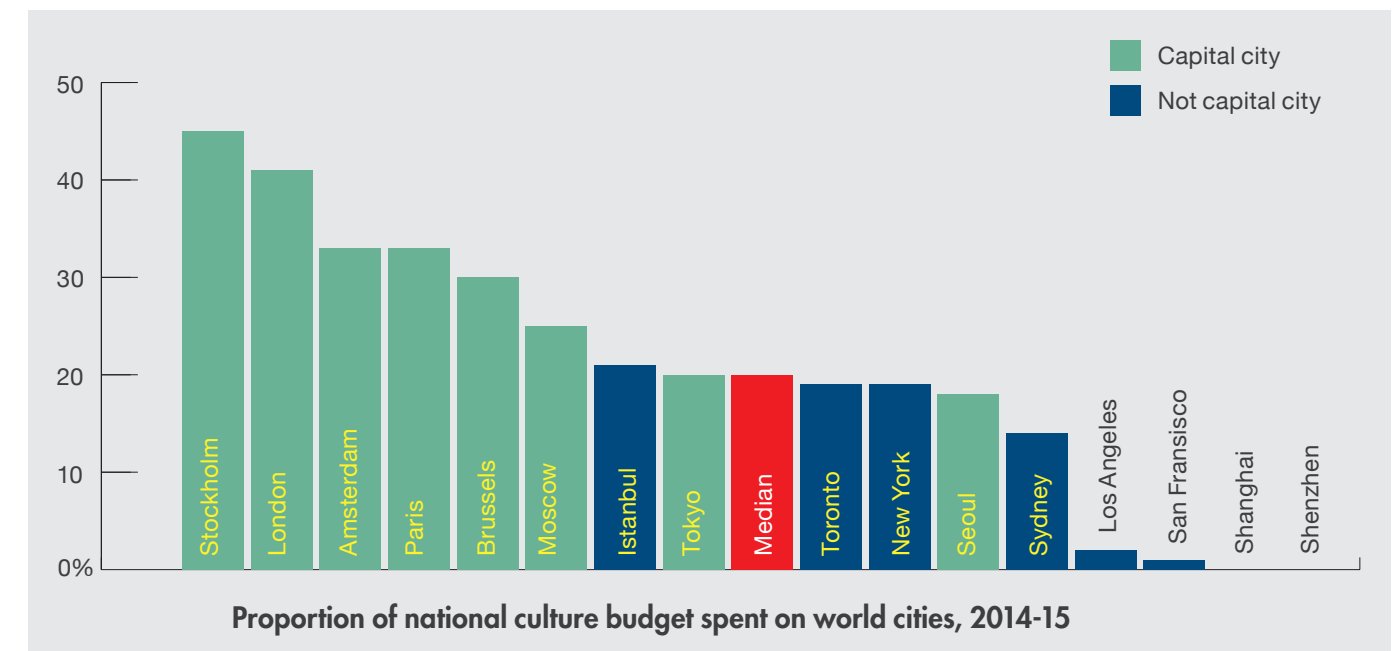
This report has not overcome all of the difficulties of this kind of research. Some of the estimations and variables can be improved upon, there are also a number of persistent data gaps, and it has not been possible to collect all data equally across all the cities.

How have we dealt with these gaps? First, in the comparative analysis, we have occasionally omitted a city if too many key data items are missing. Second, we have sub-divided data categories wherever possible so that it is clearer what the data totals consist of (and also what might still be missing). Third, for isolated instances where we

know there is missing data, we have indicated this with a question mark ('?'). Finally, we do not provide *per capita* comparisons of the funding data as this would overstate the degree of direct comparability in the data. The comparative analysis uses broader categories of analysis instead.

By developing a shared framework and common approach we have produced the most detailed comparative picture in existence of public funding and private giving to culture in world cities. This picture is still incomplete and a work in progress. But we have been able to identify the specific nature and extent of data gaps and estimation challenges – the first step towards eventually resolving them. Therefore this report should very much be seen as the first word on the subject of culture financing in world cities, not the last.

Comparative analysis



Culture-dedicated direct expenditure

The culture of cities is the product of a unique geography and a unique history. The diversity of the 16 cities represented in the research is great – from entirely new global cities such as Shenzhen to cities such as Istanbul that can trace their roots back for millennia, from sprawling mega cities such as Tokyo and Los Angeles to relatively compact ones, such as Stockholm and London.

Yet even across this diversity, there are noticeable patterns in the level of public funding for culture.

Capital city status

In absolute terms, three cities are notable for their scale of public culture-dedicated direct investment (as measured across all tiers of government): Paris, Moscow and London. These three large European and former imperial capitals each invest

comfortably over \$1bn of public money per year in culture-dedicated funds – \$3.3bn, \$2.4bn and \$1.6bn respectively.

What all three cities have in common is that they are all national capitals. And it is clear that capital status is important beyond Paris, Moscow and London. Our sample of cities is perfectly balanced between eight cities that are capitals and eight that are not. The median level of expenditure made by national / federal government culture budget across the cities in the study is 19.7%. As can be seen in Figure 1, all of the cities that lie below the median are all non-capital cities, with the (narrow) exception of Seoul. Similarly, Istanbul is the only non-capital city that receives more than 20% of the national culture budget. (Istanbul is a former capital and still the dominant city in Turkey.)

Figure 1. World cities proportion of national/federal government culture budgets, 2014-15

Source: Budget data from national governments, regional/province, world city and local governments / BOP Consulting (2016)

New York City is unusual among the U.S. cities: it benefits from a very large share of federal government culture expenditure (19%) compared with Los Angeles and San Francisco (both account for under 5%). In an indirect fashion, New York City also illustrates the 'capital city' effect on national culture budgets as it was the preeminent city in the United States from the mid-nineteenth century through much of the twentieth – a capital in all but name.

Capital cities and 'quasi' capitals such as New York City and Istanbul have all benefitted from successive waves of national government investment in their cultural infrastructure – for example, the creation of national museums, theatres or academies – in ways that newer world cities have not. These large sunk investments have created a legacy of revenue and capital investment, as well as generating positive localised externalities such as skilled labour pools and discerning audiences, which in turn create a need for further investment. In these ways, national public funding of culture in world cities is influenced by their historic prominence, helping to support their specialisation in culture. This historical process helps to explain why the share of national culture budgets is highest in the major capitals of 'old Europe,' which typically receive more than a quarter of their national governments' culture-dedicated direct expenditure.

Polycentric urban system, decentralised political system

History and capital status are clearly important, but by no means the only factor. When we take account of expenditure by different tiers

of government, polycentrism and decentralisation also make a difference.

France and the UK are 'monocentric' urban systems in which one city dominates (Paris and London respectively). Within a polycentric urban system such as China or the United States, it is harder for one city to become such a focus for national government investment.

In addition to having polycentric urban systems, both China and the United States have a high degree of governmental decentralisation. Regions and cities operate within a federal structure, with a high degree of autonomy in their tax raising and spending powers. For these reasons, as Figure 2 shows, the bulk of public culture-dedicated expenditure in the Chinese and US cities is made at the world city level (Shenzhen, San Francisco) or shared between world city level and local government (Los Angeles and Shanghai). This is particularly true of the Chinese cities in the research which, as 'Tier 1' Chinese cities, are deemed to be rich enough not to require transfer payments from the national government.

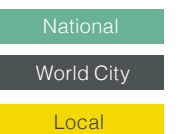


National, world city and local funding of culture by city
Culture-dedicated public expenditure, 2014-15

Figure 2. World cities' culture dedicated public expenditure broken down by administrative level of government, 2014-15

Source: Budget data from national governments, regional/province, world city and local governments / BOP Consulting (2016)

*Five cities have a regional tier of government as well. It has been omitted here, as most cities do not receive government investment from regions. Percentages may not add up to 100% due to rounding.



National champions

We have previously identified cities which dominate their national culture budgets. For many of these cities, including Brussels, London and Amsterdam, this also means that a majority of their total public expenditure on culture comes from their national government. These could be called the 'national champions' of our sixteen cities.

However, in Moscow and Paris, lower-tier levels of government also make large contributions to culture. This reduces the national government's overall share of expenditure to less than 50%. For instance:

- Although world city funding only accounts for 13% of overall culture-dedicated public funding in Paris, the absolute sums are very significant. The government of Paris Île-de-France, and the eight departments that sit within it, contributed a total of \$432m in 2013-15. The City of Paris contributed \$272 million.

World city champions

The cities with the highest share of culture-dedicated public funding at the world city level are San Francisco (98%), New York (92%), Shenzhen (71%) and Moscow (71%).



Nuit Blanche 2014, Brussels.
Photo © Fabienne Cresens. Courtesy of City of Brussels

- The two main municipal agencies providing direct funding to artists and arts organizations in San Francisco are the San Francisco Arts Commission and Grants for the Arts, a division of the Office of the City Administrator. Both agencies are funded by various sources and in 2015-16 their total appropriated budget was \$32m, 0.4% of the total city budget. In addition, the city funded the San Francisco library system to the value of \$117m in 2015-2016.

- In New York City the Department of Cultural Affairs (DCLA) is responsible for directing cultural policy and funding local arts organizations. DCLA is the largest local funder of art and culture in the U.S., with a budget comparable to that of the National Endowment for the Arts. It provides funding and capital support for over 900 non-profit cultural organizations each year, which totalled \$159m in 2014-15, along with a range of other direct programming and technical assistance. In addition to its grant making, the Cultural Institutions Group of 33 cultural organisations – including the Metropolitan Museum of Art and the Lincoln Center – are based on city-owned land and receive some operational funding from the city. Alongside the DCLA investment, the city of New York invests in the public library system, which received \$352m in 2014-15.
- Culture-dedicated spending by the city government in Shenzhen in 2015-6 totalled \$310m, or 0.4% of its budget, approximately the same as the national average in China. The Culture, Sports and Tourism Administration (CSTA) includes

New York's division of responsibility between capital and revenue funding

While many think that New York's great cultural institutions exist without any state funding, this is not true. Instead, the model that has developed in New York for the Cultural Institutions Group is based on minimal revenue support but major support in terms of premises and facilities, which the City continues to own to this day. New York City takes care of capital costs related to the upkeep and maintenance of properties and estates, leaving the independent organisations that run the institutions to focus entirely on 'content' issues. The City's capital budget for the Department of Cultural Affairs is 915 million USD between 2016-2019 (including City and non-City funds).

culture, radio, film and television, sports, news and publishing, and tourism. It directly funds 14 cultural organisations, including libraries, galleries, a symphony, and the heritage management department. Together with the Publicity Department of the Shenzhen Municipal Committee of the Communist Party of China, the CSTA manages the 'government strategic funds.' These cross government funds have been established by the city to support particular industries or themes. In 2015-6, these funds for culture totalled \$191m, representing 62% of the dedicated culture spending of the city.

- The Moscow Department of Culture manages and funds 429 institutions at over 1,000 sites across the city, including libraries, museums, theatres, parks, recreation centres, exhibition halls, art schools, concert halls, and cinemas. It also runs public events and festivals. The scale of this network of city-owned and run institutions and activities means that 4% of the city's total budget, \$1.7bn, was spent on culture in 2014-15.

Sydney and London are both unusual at the world city level. In Sydney, there is no tier of government that operates at the world city level that has a culture budget. London's world city government, the Greater London Authority (GLA), is the most unusual of the sixteen cities in that it is a strategic authority that does not directly provide services itself. Its small cultural budget reflects this strategic role, although the \$19m that the GLA spent on culture in 2015-16 does account for 5% of the total GLA budget. Sub-national public expenditure on culture in Greater London is instead driven by the 33 London boroughs. Even after making cuts of 19% in their overall arts and culture budgets between 2010 and 2015, 5/ local authorities accounted for 27% of all culture-dedicated direct public expenditure in Greater London in 2014-15.

As it is visually difficult to scale cities against three axes (National; World city; Local), Figure 3 below shows the share of culture-dedicated public direct funding by National and World city government only. It displays whether the share of expenditure for each source is in the bottom quartile across the cities ('Low'),

the top quartile ('High') or the middle two quartiles ('Medium').

In this overall analysis, taking into account all levels of government, the effect of being a capital city is less clear. There is just one 'national champion' as outlined above (London), although no capital city has 'low' national funding for culture. But otherwise the capital cities are relatively dispersed across the matrix. Seoul and Tokyo, and even Amsterdam, have a rough balance between national and world city level, in addition to Moscow's position as beneficiary of both major national and world city funding.

There is also no clear pattern by geographic regional bloc. Seoul and Tokyo are very different from the Chinese cities and Toronto is different from the other North American US cities, which each have their differences in turn. The same applies with regard to European cities. All of which suggests that political systems that exist at both the national level and the world city level are far more important in determining the levels of direct culture-dedicated public funding than any wider geo-political groupings.

		WORLD CITY LEVEL		
		High	Medium	Low
NATIONAL LEVEL	High		Amsterdam, Toronto, Brussels	London
	Medium	Moscow, New York	Istanbul, Seoul, Tokyo	Sydney, Stockholm, Paris
	Low	Shenzhen, San Francisco	Shanghai, Los Angeles	

Proportion of national vs city-level funding across world cities, 2014-15

5/ Harvey, A. (2016) *Funding arts and culture in a time of austerity, report for Arts Council England and the New Local Government Network.*

Figure 3. Contribution of world cities' culture-dedicated public direct expenditure made by national / federal government ranked against world city level government, 2014-15

Source: Budget data from national governments, regional/province, world city and local governments / BOP Consulting (2016)

Local champions

What is missing from Figure 3 above is the local dimension. For many cities local provision of public direct culture-dedicated funding is very important: on average, around a quarter of expenditure is provided by local government. It is particularly important in the following cities.

- Los Angeles County is very decentralised and consists of 88 municipalities, each of which is free to adopt their own approach to culture. Collectively they accounted for 55% of all direct culture-dedicated public funding in LA. As with other US cities, the large bulk of public culture-dedicated funding was devoted to the public library system: in LA's case this represents 90% of local expenditure.
- Shanghai's 15 districts are responsible for funding cultural activities and local 'public culture' institutions, including libraries, culture centres and museums. Beyond this standard provision, they may set up discretionary additional funds for culture, such as Fengxian district's 'Xian culture' grants. Their combined culture budgets for 2016 totalled \$402m, 57% of Shanghai's public investment in culture.
- In Paris, municipalities play an important role in financing culture, despite their very small size: there are 1,281 municipalities in the Paris Île-de-France region alone. In 2015, the total budget for municipalities in the region was estimated to be \$1.1 billion (excluding Ville de Paris budget). Funding areas primarily focus on libraries, multi-media libraries



and music conservatories. Some municipalities group themselves into larger municipal associations with combined budgets; these Paris Île-de-France municipal associations collectively spent \$79m on cultural projects in 2014-15.

- Tokyo's 62 local authorities are responsible for funding local arts and cultural projects, and managing local cultural facilities and cultural heritage sites. Their total culture budget was \$274m in 2015-16.

Tokyo Roppongi Art Night 2012. Photo © Alexis Haulot, courtesy of Tokyo Metropolitan Government



Chinese New Year Launch, Dawns Points, Sydney. Photo courtesy of City of Sydney

Which cultural domains are funded via direct culture-dedicated public expenditure?

In general it has been impossible to determine which cultural domains are the beneficiaries of public expenditure. However, there are two areas where it is more possible to generalise.

In both London and the United States cities (New York, San Francisco and Los Angeles), local spending is heavily focused on the public library system, accounting for between 60-90% of expenditure. Why might this be? Of the culture sector as a whole, public libraries are the least able to generate other revenues, as their key public purpose is to provide free or very low cost access to knowledge. In London (and the UK more widely), they are also the only elements of local authority cultural provision that are statutory by law.

In China, both Shanghai and Shenzhen have created 'strategic' cross-government funds to support their

cultural sectors. A key focus is the creative industries:

- In Shenzhen in 2016 there were two culture-related funds: the Development of the Culture Industries and Culture Promotion Fund, and the Culture and Creative Industries Fund. Together these funds totalled \$191m, representing 62% of the dedicated culture spending of the city.
- In Shanghai, the Office of Shanghai Cultural and Creative Industry Promotion and Leading Group, is in charge of a fund which awarded \$47m in grants in 2015.

With less 'legacy' cultural infrastructure in which to invest, it appears that Chinese cities are placing a greater priority on investing in newer and more commercial cultural forms.

What are the governance and management models of organisations in receipt of direct public funds?

A variety of models co-exist in the cultural sector. The vertically integrated or 'statist' model of cultural policy, whereby governments own, manage and fund their own in-house cultural institutions, is relatively rare at world city level – it is only characteristic of Moscow and, to a lesser extent, Shanghai. It is much more common at local authority level across many cities.

There are two alternative modes of provision:

Outsourced management.

In Istanbul, 'Culture Co' is an enterprise arm established in 1989 for administering the cultural venues owned by Istanbul Metropolitan Municipality (IMM), organising festivals and events, and generating revenue through ticket and book sales. In 2014-15, the IMM budget for Culture Co was \$82m, 26% of all public direct funds to culture at the world city level. A similar, though not-for-profit version, exists in Tokyo. The Tokyo Metropolitan Foundation for History and Culture receives \$65m, approximately 33% of the budget of the Culture Promotion Division of the Tokyo Metropolitan Government's Bureau of Citizens and Cultural Affairs. It is responsible for administering Tokyo Metropolitan Government's nine arts and culture facilities as well as funding Arts Council Tokyo.

Grant-funded independent organisations.

The most widespread model, common across all cities, is funding a relatively small number of key cultural institutions – often referred to as 'portfolio' funding. This is often the preferred choice of national culture departments, such as in the UK, the Netherlands and France.

Portfolio organisations benefit from the fact that funding is often multi-year; this brings stability and allows organisations to more easily cover core costs. However, there are potential downsides for funders. Once established, portfolios are often static, and this lack of challenge or competition can result in inertia and stagnation. Therefore 'open' grant funding is an alternative and/or accompaniment to portfolio forms of funding, providing smaller amounts that are generally awarded over shorter time periods.

- The City of Stockholm is an example of a city that has changed its funding system to include funding for individual projects as well as organisations, with special development funding available for innovative initiatives. This decision was taken in 2011 in order to actively promote structural change in the sector and prioritise reaching new audiences which better reflect the multicultural nature of Stockholm.
- Shenzhen has also used grant funding, via the two strategic funds outlined above, to open up funding beyond government affiliated organisations. In 2014, almost 400 project grants were awarded to non-governmental cultural organisations from these funds as the city moves towards a more 'market-oriented' culture sector.

Other public funders

Many people may not realise that public funds from departments other than culture ministries flow into the cultural sector. For instance, many education budgets have long included expenditure on culture and arts education. Over the last two decades, there has been increasing interest across other city government departments in how culture can help them to achieve their own agendas, whether this is increasing the appeal and vitality of city centres and neighbourhoods, attracting tourists and inward investment, adding new knowledge-based jobs or helping to tackle complex social and health problems.

The progressive integration of culture with other areas of urban policy is something that the World Cities Culture Forum champions. It is therefore gratifying that all of the cities report some level of additional funding flowing into their cultural sectors from other public funders, even if these are typically quite modest in comparison to culture-dedicated funds. However, it is extremely challenging to disaggregate non-culture budgets in order to identify what element goes towards culture. It has not been possible to quantify this consistently and comprehensively within our research. Despite this, a narrative review of the information provided by cities suggests a number of trends.

The range of departments and organisations that additionally fund culture across the cities can be very wide. For example, in New York these include the Department for the Aging, Department of Corrections, Department of Probation, Department of Youth and Community Development, New York City

Housing Authority, and the New York City Department of Transportation among others. This provides a great illustration of how culture can work horizontally across multiple policy agendas.

But the range and diversity of departments that directly invest into culture in New York is not common. More typically, departments with the following responsibilities seem to be the most engaged in funding cultural activities across the sixteen cities.

- **Education.** Education departments at all government levels frequently fund arts and cultural education initiatives – in Tokyo, Shenzhen, Seoul, London, San Francisco, Paris and Moscow. While funding levels are not known for every city, the sums can be very significant. Mirroring Paris and Moscow's high levels of direct culture-dedicated funds, spending on arts and cultural education provided by Education departments comfortably runs into the hundreds of \$ millions per year.
- **City promotion: tourism and inward investment.** Culture is funded as a distinctive asset that is promoted as part of city marketing campaigns (Istanbul, Los Angeles), and as a key tourist 'product' (New York, Sydney, Los Angeles, Paris). Alongside these consumer promotion strategies, some city-wide inward investment and marketing agencies, such as The Stockholm Business Region, also undertake B2B marketing for the cultural sector (in this case to bring more film production to the Stockholm region and to facilitate the film industry's contacts within the city).



Muzeon Park of Arts.
Photo © Savintsev Egor, courtesy of Moscow Institute for Social and Cultural Programs

- **Economic development and business support.** These departments in the Asian cities of Shanghai, Shenzhen and Seoul all provide economic development and business support to the creative industries, with varying degrees of focus – from fashion in Shenzhen to animation, games and digital media in Seoul. Paris also has a number of economic development policies and business support services to support creative industries (mainly audiovisual, literature, performing arts) and cultural start-ups.

Fashion provides the golden thread in Brussels

The soon to be opened Mode And Design Centre in Brussels (MAD Brussels) provides a textbook example of how a range of other public funders have come together to invest in a major new facility for the creative and cultural sector in the Belgium capital. While over 2m EUR of public funding will have been invested in the facility when it opens in 2017, hardly any (around 50,000 EUR) has come from the culture budgets of the City of Brussels and Wallonia-Brussels Federation. Funders instead include the Tourism Department of the City of Brussels, the Ministry for Employment and Economy, the Ministry for Mobility and the Ministry for Environment of Brussels Region, as well as the European Regional Development Fund.
www.mad.brussels

The case studies show that our cities have already had some success in embedding culture within wider city government priorities – making culture the ‘golden thread’ of urban policy. Some are increasing the proportion of money coming from other public funders. But aside from cultural education, where funding is often substantial, the sums provided by other public funders tend to be relatively small.

Hypothecated taxes

Further funds flow into the culture sector in some cities from ‘hypothecated’ taxes. These are taxes imposed on categories of goods and services whose proceeds can only be spent on a designated and specific purpose – in this case, culture. While the money raised through hypothecated taxes is paid either by the public or some element of the business community (depending on the specific tax), the setting and collection of the tax is undertaken by the state.

Los Angeles and Toronto both have hypothecated taxes that benefit the cultural sector. LA operates a 1% transient occupancy tax (a tax on hotel rooms) which generates about \$11 million per year for the Department of Cultural Affairs. Toronto has established a tax on billboards in the city which goes to an arts and culture reserve fund.

Indirect public funding and private giving

‘Tax breaks’ or ‘fiscal incentives’ give certain categories of taxpayers (businesses or individuals, depending on the specific tax) a decrease in the tax they pay. This can range from total exemption, to reduced rates for particular types of taxpayer or on particular types of goods (e.g. artists’ materials), through to tax credits that are redeemable against tax provided that a particular qualified action has taken place (e.g. donated to a cultural organisation, invested in film production). As they result in a decrease in tax proceeds collected by governments, they are also collectively referred to as ‘tax expenditures.’

Tax expenditures

Tax expenditures are the key method for the indirect public funding of culture. They are more often set at national/federal level, though some world city governments have also implemented them where they have tax raising and spending powers. In relation to culture, there are two distinct kinds of tax expenditures:

- Culture-specific tax expenditures, such as tax incentives for film and other audio-visual media production, which are significant for both London and Toronto.
- More general tax expenditures, such as individual and corporate tax breaks for giving to charitable organisations (of which there are many in the cultural sector). These are important in all the North American cities, as well as in Paris and London.

In the cultural sector tax expenditures often have a relationship to the amount of private giving and sponsorship funding, because government policy has set in place incentives and rewards for such activity. For this reason, Figure 4 below includes proportionate estimates of tax expenditures and private giving and sponsorship money, as well as the other two main categories of tax expenditures in culture (AV media ‘production incentives’ and ‘operational incentives’, which relate to exemptions and reductions for cultural organisations from standard taxes such as VAT or land taxes).

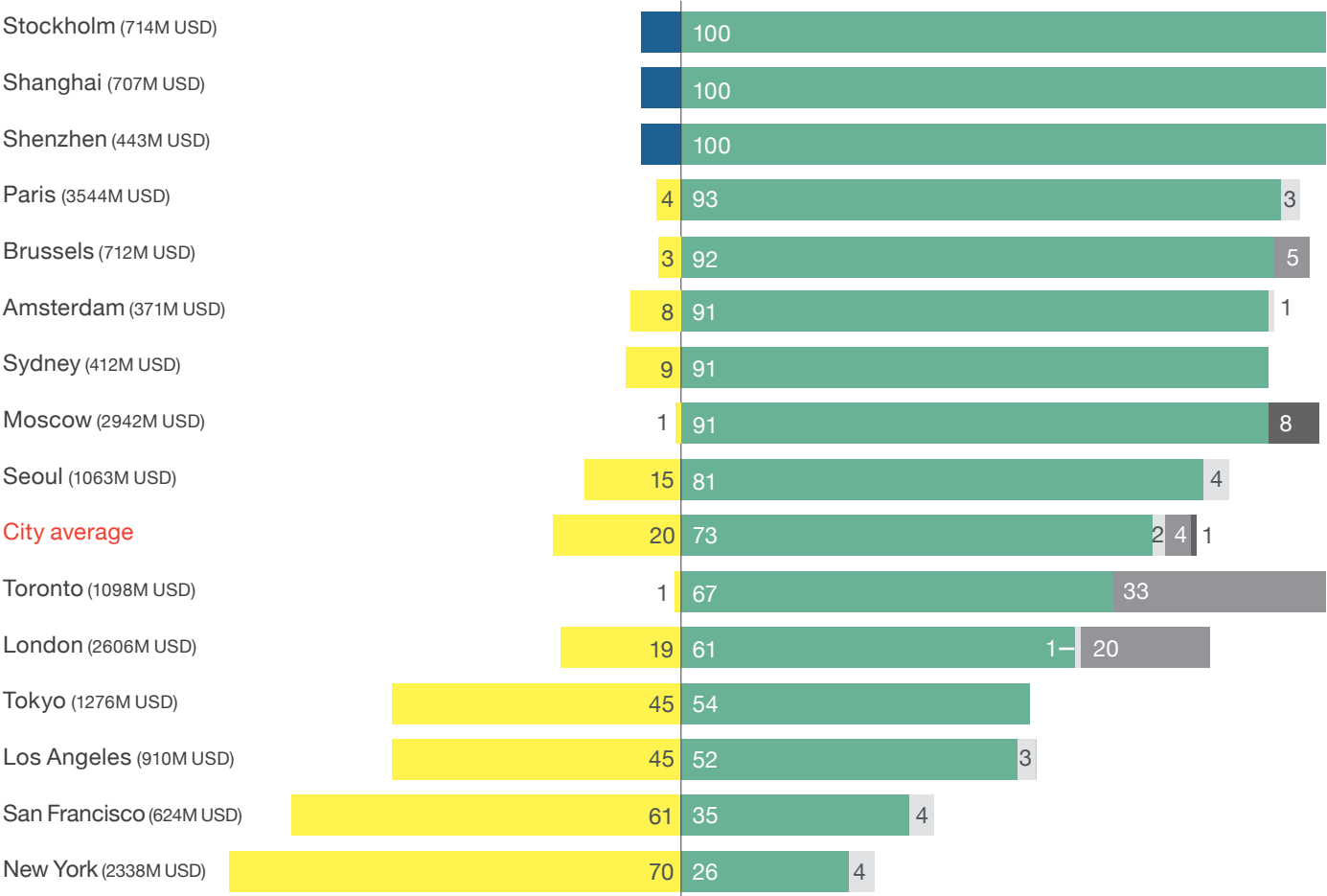
Quantifying tax expenditures is challenging. For private giving and production incentives, it often requires calculations to be made at a national level and then an estimate to be derived for the world city level. Even then, for some tax expenditures – particularly the operational incentives provided regarding ‘generic’ taxes such as VAT and property tax – it has not been possible to estimate a value for these (with the exception of Moscow). As a rule, where a ‘?’ exists in Figure 4, we know that a particular type of incentive exists, but it has not been possible to quantify it. There has been less consistent reporting of audio-visual media production incentives, which appears to be related to the fact that they are not administered by world city culture departments and the data is therefore more difficult to obtain. As the figures for London and Toronto demonstrate, these expenditures can be significant.



Quais de Seine, Paris.
Photo © JARRY-
TRIPELON/CRT Paris-
Ile de France

Private vs. public funding by city, 2014-15

Figure 4 Percentage breakdown of public funding and private giving and sponsorship revenues by source, 2014-15



Public direct
Public indirect % - production incentive
Public indirect % - giving incentive
Public indirect % - operational incentive
Private giving & sponsorship
Unquantifiable incentive

Source: Direct expenditure obtained from budget data from national governments, regional/province, world city and local governments; indirect expenditure estimates derived from Treasury/Finance/Tax department reported data; philanthropy data from industry surveys / BOP Consulting (2016)

Private giving and sponsorship

The big story revealed by Figure 4 is the extent of private giving and sponsorship revenues generated in North American cities, primarily in the United States. In these cities, philanthropy and sponsorship accounts for 50% or more of total public and private funding (excluding earned revenue). The high water mark is New York, which receives more donations to cultural institutions than in any other U.S. state, and where 70% of all public and fundraised income comes from philanthropic sources.

The United States as a whole has prided itself on creating what is regularly reported to be the best conditions to support individual giving in the world. The federal government in the U.S. incentivises private charitable contributions by forgoing 33-35 cents in tax revenue for each dollar donated to a non-profit organisation. This level of government support has been granted as the incentive is seen as a democratic form of funding that allows the actions of individual citizens to guide government spending (through foregone tax receipts).

Also noteworthy in Figure 4 is the degree of similarity between cities in the other regional blocs. The Asian cities raise comparatively very little culture funding through private giving and sponsorship. The one big exception to this rule is Tokyo. Corporations and foundations are the main private funders of arts and culture in Japan and in 2012-13 they gave \$525 million to the arts and culture in Tokyo – more than double the direct culture budget of the Tokyo Metropolitan Government.

European cities all benefit from some private giving and sponsorship funding,

but this is relatively modest as a share of overall giving and public funding (4-15%). Notably, it is the North European, non-Francophone cities of London and Amsterdam that benefit from the highest levels of private giving and sponsorship.

There are also differing profiles of private giving between the regional blocs. In the North American cities and Anglophone London, philanthropy is dominated by individual giving. For instance, in 2014, individual giving (not including bequests) accounted for 72% of all giving to the arts in the United States.

In comparison, in Tokyo – the only Asian city that benefits from a major component of private giving – individual giving is estimated to account for a little over 4% of philanthropic funds. Further, while data is not available at the city level, existing evidence at the national level in the U.S. strongly suggests that individual giving to the arts in the country is indeed dominated by the wealthy and by large gifts and donations.

There are a number of examples of relatively recent tax measures brought in by governments to incentivise private giving, but they have had limited impact. In Seoul, donations made by individuals and corporations to arts and culture organisations via the national Arts Council Korea are 100% tax deductible for individuals and 50% tax deductible for corporations. Despite this incentive, individual giving to the arts and culture remains relatively low, representing only 0.2% of total individual donations at the national level, but 5% of total corporate donations.

Similarly, the national Gift and Inheritance Tax Act (Geefwet) in the Netherlands, which came into effect nation-wide in 2012 for a five-year

6/ Giving USA 2014.

7/ Research is thin on the ground, but research undertaken for 2005 showed that 93% of individual giving to the arts was given by those earning \$200,000 and above (Tax Policy Center, 2012).



Gretchtenfestival,
Amsterdam. Courtesy
of City of Amsterdam

trial period, aims to encourage private donations to cultural institutions through offering a 125% multiplier. Donations to so-called 'public benefit' organisations with cultural status provide additional income tax benefits. According to recent evaluations, the Geefwet has had a limited impact, primarily increasing donations in large cities and to large institutions.

These findings suggest that there are likely to be ingrained cultural attitudes to individual giving that may take much longer to address, and require different or complementary strategies and tactics from those that focus solely on the operation of the tax system.

Capital campaigns are a vital element of private giving in the cultural sector

Given the fluctuations of capital investment on a year-to-year basis, we have not included capital expenditure in the current research. However, when considering private giving revenues, it would be a distortion not to mention the importance of capital campaigns that focus on private fundraising for new or refurbished cultural buildings. Examples are plentiful across the 16 cities in the study. For instance, LVMH invested 143 million USD to build its non-profit art museum, the newly opened Guanfu Museum in Shanghai, which is located on the 37th floor of the world's second tallest building, Shanghai Centre. Of the 422 million USD construction cost for the New York Whitney Museum of American Art new building at the Meatpacking District, 367 million USD was from private sources.

New funding models

Our research has highlighted some of the new methods that city governments and other bodies are currently exploring in order to channel funds into the cultural sector. There are three broad categories of model/intervention currently being pursued across the cities.

Financial instruments

- While many cities have crowdfunding platforms that operate within their territories, three cities (Seoul, Stockholm and Sydney) are experimenting with providing public sector match funding for the sums raised by the public via their crowdfunding campaigns. Sydney are incentivising crowdfunding further via making individuals' crowdfunded investments on one platform tax deductible. The Paris government meanwhile has initiated the Funds for Paris which offers up to 66% tax deductions for patronage to finance heritage restoration projects.
- Shanghai has instituted a Special Purpose Investment vehicle, the first to receive approval from the China Securities Regulatory Commission, which invests both in the traditional cultural sector and in tourism, design and the leisure industries. It also helps cultural and creative institutions to restructure and become publicly traded.
- In the UK, a number of funders and investors are experimenting with applying social investment models to cultural organisations. At the organisational level, London's Globe Theatre has become the first organisation in the country to establish its own Social Impact Bond.



- New York is using Participatory Budgeting to allow city residents to participate in the allocation of discretionary capital funds through a year-long series of public meetings culminating in a public vote, organized by City Council districts. A number of cultural projects have been funded through this mechanism, including BRIC, Reel Works, and ArtBuilt.

China Art Museum,
Shanghai. Photo ©
Zhenliang Ye, courtesy
of Shanghai Theatre
Academy

Finance related to property

- San Francisco is addressing high property prices through its Community Arts Stabilization Trust (CAST), a non-profit trust that brings together public and private funds to purchase property assets for cultural organisations.
- Moscow is offering subsidised or free tenancy in state-owned historic buildings, in exchange for capital investment in restoration and upkeep.

Business models

- In Amsterdam, a musicians' cooperative is supporting its performance space using a model that combines artist investment with audience subscription.

Recent trends

Several cities are presently seeking to re-balance their cultural funding ecosystems.

Most obviously the level of culture-dedicated public funding is declining in European cities such as Amsterdam and London, and also in Seoul and Sydney. Policymakers within government and other key funding agencies (e.g. Arts Councils) are therefore using a number of measures to support and facilitate organisations in the sector to raise more traded and private giving income. These measures include tax incentives, public match-funding of crowdfunding (see 'New financial models'), and training/building capacity within cultural organisations to improve their fundraising ability. **8/** Achieving a shift in cultural organisations' finances away from direct public funding will require organisations to be more creative and innovative than they have been in the past.

A second trend is that a number of cities have moved to open up their public funding to a wider range of cultural organisations and projects. In Shenzhen and Moscow, the emphasis is on bringing public funding to institutions which are not government owned or run. In Stockholm, the emphasis is on reaching underserved audiences better and bringing innovation into the sector by offering project funding as well as organisational grant funding.

A third trend is the 'policy learning' and transfer of policies and incentives to encourage private giving. This has mainly flowed from the United States to other countries.

All these trends address some of the wider critiques of the public funding of culture – that it gets captured by special interests, that it creates organisations that can be distant from their audiences, that government has too much control, that it is too bureaucratic. Yet the private giving incentives, in particular, do not seem to be bearing fruit at the moment – at least not in cities such as Amsterdam and Seoul. It could be simply too early to tell at this stage, or it could be that these approaches cannot be transplanted to these different contexts in the ways currently being trialled.

8/

In 2012, the UK's national culture department launched the 'Catalyst' programme, a £100m three-year grant fund designed to help the country's cultural sector to get better at fundraising. £68m was administered in the arts by Arts Council England with the rest in heritage, managed by the Heritage Lottery Fund. The Arts Council scheme provided a number of means of support, including match funding of donations raised up to a capped limit, as well as grants for organisations to use as they wished to improve their fundraising, whether this was spending on wealth screening for donors, training for staff, hiring fundraising experts or spending on cultivation and other fundraising events.

Future research and policy agenda

This first WCCF Finance Report provides a wealth of systematically assembled and scrutinised data where previously there was very little. Yet there still remain many gaps and areas that can be improved upon. Some of the clearest opportunities are:

- greater consistency in reporting production incentives for film and other audio-visual media production
- more consistent identification of private giving and sponsorship funding, and assessment of the feasibility of consistently disaggregating this by type (e.g. individual, trust and foundation, corporate)
- further investigation and better quantification of expenditures by other non-culture public funders
- assessment of the feasibility of estimating revenues from 'operational' tax incentives
- identification of overall turnover in the cultural sector for each city, in order to derive an estimate for earned/traded income
- increasing the number and range of cities in the research to enhance the assessment of factors that might be influencing the nature of funding regimes for culture.

This research has shown how complicated assessing the funding of culture in world cities remains when looking across multiple administrative levels, and across public and some private sources of funding. It is clear that, from an institutional perspective, culture is a more complicated field than many other areas of urban policy. In governance and management terms, the state is very rarely the sole or even main provider for cultural goods and services. There are good reasons as to why this is so, and they seem quite constant across different city and country contexts. But this institutional complexity has implications for both research and policy.

It is clear that cities that involve a higher number of institutions/stakeholders and use a wider range of mechanisms in the distribution of public funds pose a much greater challenge when it comes to tracking and understanding expenditure. From a policy perspective, although culture's role as the golden thread of urban policy is to be welcomed, it poses a challenge in terms of ensuring that cultural policy is 'joined up': that it is coherent and does not unnecessarily duplicate effort or resources. The city chapters of the current research can be considered as building blocks of a joined-up approach as they contain essential knowledge on the funding landscape. We hope this report will hopefully trigger a range of conversations and debate, not least on how resources can be better aligned to deliver the shared goal of sustainable urban development.

City Profiles

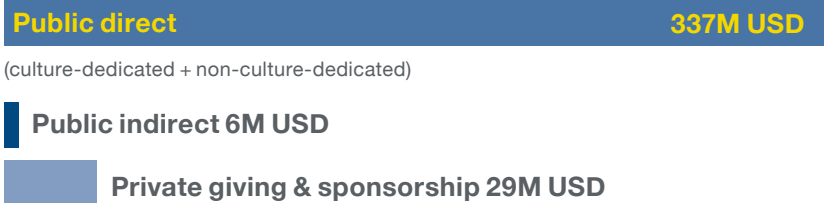


De Rode Hoed
Photo courtesy of City of Amsterdam

Amsterdam

■ Data based on 2013-16 funding schemes

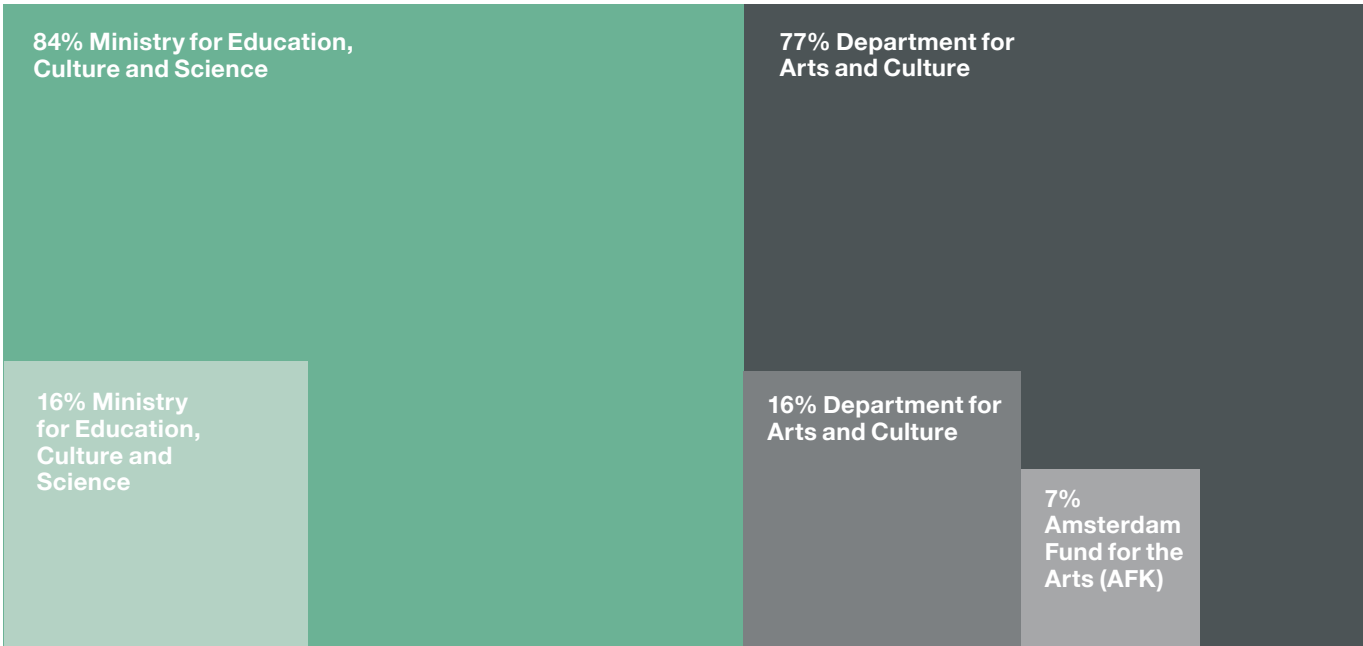
Funding for culture



Public direct funding - sources



Culture-dedicated public direct funding



National 193M USD

- Basic Cultural Infrastructure portfolio
- Six Public Cultural Funds

World City 144M USD

- Plan for the Arts – portfolio
- Public libraries and local media
- Project-based grants

Local

7 local districts
Budget not available

Overview

Public funding system: Moderately centralised, with a majority of funding from national level. (Amsterdam receives a higher percentage of funding from the national government than other cities in the Netherlands.) Figures for local spending are not available.

Percentage of national culture budget: 33%

Sector/institutional profile of direct public spend: Dominated by national and city support for portfolio organisations. Smaller amounts for libraries and projects at city level.

Overall cultural spending profile: Little information is available on philanthropy and earned revenue.

Non-culture public funders: Occasional project funding provided by other city departments, including Education, Diversity, Planning & Development and Economic Affairs



Rijksmuseum
Photo ©
Nachtwachtzaal,
courtesy of City of
Amsterdam

Culture-dedicated public direct funding

At a **national level**, culture is managed by the Ministry for Education, Culture and Science, which funds a portfolio of 83 cultural organisations via its Basic Cultural Infrastructure (BIS) scheme. Of these institutions, 24 are based in Amsterdam, and they account for 40% of the total national grant, totalling 162 million USD. The current BIS scheme runs from 2013 until 2016.

The Ministry also funds six Public Cultural Funds – Fonds Podiumkunsten, Mondriaan Fonds, Nederlands Filmfonds, Letterenfonds, Stimuleringsfonds voor Creatieve Industrie, and Fonds Cultuurparticipatie – which focus on performing arts, visual arts, design and cultural heritage, literature, creative industries, film and amateur arts, cultural education and popular culture. Thirty-one cultural organisations in Amsterdam received a total of 31 million USD from these, representing 25% of the Public Cultural Funds programme. Amsterdam receives 57% of its public culture funding from the national government, a proportion higher than other cities in the Netherlands.

At the **world city level**, one of the most important sources of funding is the City's Plan for the Arts. The 6th Plan (2013-16) included structural funding of 111 million USD per year for a portfolio of 146 organisations, including four community cultural centres, which 'make sure that every Amsterdammer has an opportunity to experience arts and culture throughout the city.' The recently approved 2017-2020 Plan will allocate 120 million USD annually.

The 2013-2016 Plan also funds the project-based Amsterdam Fund for the

Arts (AFK), which has a budget of 10 million USD. It offers both a Professional Arts scheme and a Cultural Participation Scheme aimed at increasing participation in the arts beyond that taking place in schools. It supports a wide range of organisations, with a focus on audience development, new finance models, and local cultural identity. In addition, cultural organisations will be able to apply for innovation funding, based on their track record in developing international, national and local partnerships, talent development and cultural education. With the 2017-2020 Plan the AFK will take a bigger role in structural funding, with a budget of 40 million USD.

The City of Amsterdam also funds public libraries and local media (public broadcasting). In 2015-16, it budgeted 20 million USD for public libraries and 3 million USD for local media.

At the **local level**, the seven City Districts (Centrum, Nieuw-West, Noord, Oost, West, Zuid and Zuidoost) play an important role in facilitating and supporting public and informal arts in the city. They also provide match funding to projects supported by Amsterdam Fund for the Arts or private funders such as the local branch of the Prins Bernhard Cultuurfonds. Funding from the City Districts is not identified in this report, as it is not always directly allocated as a 'cultural budget.'

Other public funders

Project funding for the arts and culture is also provided indirectly or occasionally by other city departments, including Education, Diversity, Planning & Development and Economic Affairs. It is not, however, possible to reflect the corresponding budgets in this report.

Public indirect and private funding

The Gift and Inheritance Tax Act (Geefwet), which came into effect nation-wide in 2012 for a five-year trial period, aims to encourage private donations to cultural institutions through offering a 125% multiplier. Donations to so-called public benefit organisations with cultural status provide additional income tax benefits. According to recent evaluations, the Geefwet has had a limited impact, primarily increasing donations in large cities and to large institutions. Estimated public indirect spending to support private donations under the Geefwet initiative was 5 million USD.

Estimated donations from individuals, trusts, foundations and corporations to arts and culture in Amsterdam were 29 million USD in 2013.

Financial sustainability became a priority in the City of Amsterdam's 2013-16 Plan for the Arts, which focused on making sure that artists and cultural organisations could excel and innovate despite a budget cut. It obliged them to reach new audiences and become less dependent on public funding, requiring every cultural institution to generate at least 25% of its own revenue from earned income by 2016.

In its rebuilding and refurbishment of cultural infrastructure – including the Stedelijk Museum Amsterdam and the Rijksmuseum – the city has emphasised economic and social return on investment. Many of these projects were funded through public-private partnerships, and some completely privately.

New funding models

Voordekunst is the Netherlands' largest donation-based crowdfunding platform. The platform was initiated in 2010 by the Amsterdam Fund for the Arts (AFK) with a vision to support individual artists and small arts organisations as well as raising public awareness to support the arts. 10,000 donors have donated 13 million USD since its launch, supporting over 1700 arts projects. The platform received funding the Ministry of Education, Culture and Science.

Amsterdam artists are also experimenting with other new financial models for culture. For example, Splendor, set up in 2010 and run by a group of 50 professional musicians, uses a 'cooperative model' of a performing space. The Splendor musicians each invest €1,000 (1,300 USD) and perform several concerts per year for members; in exchange they are able to use the building whenever they like for their musical activities. Members pay €100 (USD 130) per year and have access to 50 concerts in that time, as well as being able to participate alongside the musicians in planning for the future.



Amsterdam Light Festival 2013.
Photo © Janus van den Eijnden. Courtesy of City of Amsterdam

Data Sources

Currency conversion: 1 € ⇌ \$ 1.329
2015 average

Page	Data	Source / Year	Note
36	Percentage of national culture budget: 33%	City of Amsterdam / 2015-16	Sum of total public culture-dedicated funding at national level as a percentage of total culture budget of the Ministry for Education, Culture and Science (BIS €345.7M, Culture Funds €123M)
37	Ministry of Education Basic Cultural Infrastructure funding: 162 million USD	Ministry for Education, Culture and Science/ 2015-16	
37	Ministry of Education Public Cultural Funds: 31 million USD	Ministry for Education, Culture and Science / 2015-16	
37	City of Amsterdam 6th Plan for the Arts: 111 million USD	City of Amsterdam / 2015-16	
37	City of Amsterdam 7th Plan for the Arts: 120 million USD	City of Amsterdam / 2015-16	
37	Amsterdam Fund for the Arts: 10 million USD	City of Amsterdam / 2015-16	
37	2017-2020 AFK funding: 40 million USD	City of Amsterdam /2016	
37	City of Amsterdam Public libraries funding: 20 million USD	City of Amsterdam /2015-16	
37	City of Amsterdam Local media funding: 3 million USD	City of Amsterdam /2015-16	
38	Geefwet initiative - public indirect funding: 5 million USD	Centrum voor Filantropische Studies / BOP / 2013	Total individual giving and corporate donations to culture in 2015 – €57 million and €80 million respectively (Centrum voor Filantropische Studies, Giving in the Netherlands 2015). Private giving to Amsterdam estimated by share of national GDP (7.8%, Statistics Netherlands) Public indirect funding estimated based on Geefwet theoretical model (Culturele instellingen in Nederland. Veranderingen in geefgedrag, giften, fondsenwerving en inkomsten tussen 2011 en 2014)
38	Private giving and sponsorship: 29 million USD	Centrum voor Filantropische Studies / BOP / 2013	Estimated as total private giving and sponsorship to culture in Netherland (€281 million, Centrum voor Filantropische Studies, Giving in the Netherlands 2015) proportionated by Amsterdam share of national GDP (7.8%)
38	Voordekunst: 13 million USD	Voordekunst / 2016	



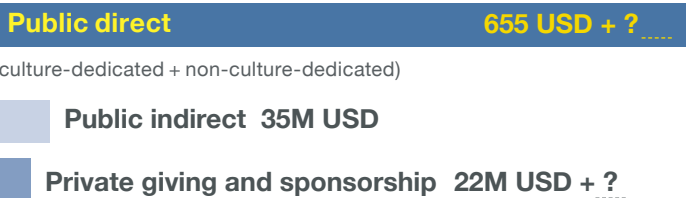
Museumplein
Courtesy of City of Amsterdam



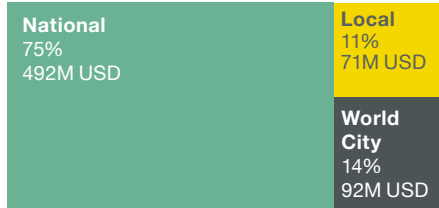
Carte de Visite, ARTopenKUNST, Brussels
Photo © Eric Danhier. Courtesy of City of Brussels

Brussels

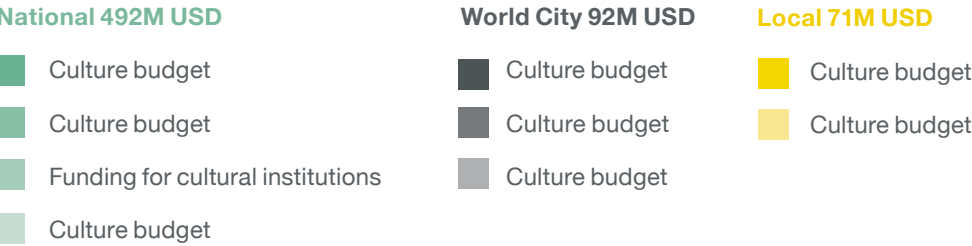
Funding for culture



Public direct funding - sources



Culture-dedicated public direct funding



Overview

Public funding system: Very fragmented, with limited central government responsibility for culture. Responsibility for culture – and funding – sits with the French and Flemish linguistic Communities, both as national ‘regions’ and at world city level. Small role for local government.

Percentage of national culture budget: 30%

Sector/institutional profile of direct public spend: National funding almost exclusively for large institutions which are not under the control of any one Community.

Overall cultural funding profile: Dominated by public direct funding, with a significant role for tax incentives for cultural production and employment. Very little private giving.

Important non-culture public funders: Many ministries involved but no data is available.



Nuit Blanche 2014,
Brussels
Photo © Photo Alexis
Haulot. Courtesy of City
of Brussels

Culture-dedicated public direct funding

At the national level, Belgium has no overall Ministry of Culture. This is because it is a federal state which puts most powers in the hands of its three Regions (based on territory) and three Communities (based on language). The three Communities – Flemish, French and German-speaking – hold responsibility for both culture and education. Both the French and Flemish Communities have powers in Brussels.

Federal funding for culture is restricted to support for large cultural institutions which are not under the control of any one Community. The Ministry for Federal Cultural Institutions funds the La Monnaie/De Munt National Opera, BOZAR Fine Arts Centre and the Belgian National Orchestra in Brussels. Total funding for these institutions was 73 million USD in 2015.

The Secretary of State for Scientific Policy funds six institutions in Brussels, ^{1/} which received a total of 94 million USD in 2015. In addition to the above, they also support Cinematek (Royal Belgian Filmarchive), a public foundation which also receives funding from the City of Brussels and the National Lottery. Data on the funding for the Cinematek and other cultural subsidies are not available.

The Ministry for Culture of the French Community is the largest single public financer of culture in Brussels, contributing a total of 256 million USD in 2015. Its approach is based on the principle of subsidiarity: support for initiatives by cultural operators or associations. In 2015, a large share of these subsidies went to support artistic creation (62 million), and cultural education and cultural centres (62 million). Other direct subsidies (production, dissemination,

conservation, education and management) totaled 50 million USD. Other cultural spending was estimated to be 82 million, including budget to support higher arts education.

The Flemish Ministry of Culture, Youth, Sports and Media culture budget is divided between two agencies: the Agency for Arts and Heritage, and the Agency for Social Work. The Agency for Arts and Heritage implements the Arts Decree (Kunstendecreet). In 2016 an estimated 32 million USD from the Arts Decree was awarded to artists and arts organisations in Brussels. The Agency also directly supports a number of cultural institutions, such as the Brussels Philharmonic and Flemish Radio Orchestra (11 million USD) and the concert hall Ancienne Belgique (3 million USD). Other grants programmes include the Flemish Brussels Fund and the Brusselse podia. Brussels received 9 million USD from these other grants and subsidies programme in 2016. The heritage budget in Brussels was estimated to be 2 million USD.

The Agency for Social Work is responsible for supporting local culture - public libraries, cultural centres and local cultural activities such as the David Fund. In 2016 the Agency for Social Work spent an estimate of 12 million USD in Brussels.

At the world city level, the Brussels-Capital Region is Belgium's third federated region, having been created in 1989. In 2015 it spent 46 million USD to support culture: the budget for the Monuments and Sites Directorate was 29 million USD and Screen. Brussels received a budget of 5 million USD and 7 million USD (estimate) respectively. Estimated budget for other cultural projects was 5 million USD (e.g. MAD Brussels, Bright Festivals, various cultural projects to promote social cohesions).

^{1/} These are the Royal Museums of Fine Arts, Royal Museums of Art and History, Royal Library of Belgium, State Archives of Belgium, Royal Institute for Cultural Heritage, and CEGESOMA (Centre for Historical Research and Documentation on War and Contemporary Society).

The linguistic Communities within the Brussels-Capital Region also support cultural activities: the Brussels Commission of the Flemish Community has a culture budget of 29 million USD and the Brussels Commission of the French Community has a cultural budget of 17 million USD.

At the local level, nineteen municipalities make up the Brussels-Capital Region, spending a total of 71 million USD on culture. Of these, the City of Brussels is by far the largest and most significant, with a cultural budget of 38 million USD in 2016. Its per capita spending, as well as its absolute spending, on culture is higher than the other municipalities.

Other public funders

A number of other government ministries and departments, at all levels of government, are involved in cultural policy and funding. For example, at the national level, the Minister of the Budget is in charge of the National Lottery, which spends a small percentage of its revenue on culture. At the regional level, Minister for Equal Rights of the French Community supports events, projects and organisations which support accessibility, as well as consciousness-raising activities relating to disability and LGBTQ rights. Other ministries and departments involved include Tourism, Promotion of Brussels, and Public Education. However data from these funders is not available.

Public indirect and private funding

The Belgian Tax Shelter is a national government-approved tax incentive designed to encourage the production of audiovisual works in Belgium. In 2015 it contributed an estimate of 35 million USD to Brussel's audiovisual sector. In 2016 it will be expanded to cover the performing arts, including theatre, dance, opera and music.

The Brussels-Capital Region subsidises (sometimes heavily) the employment of certain categories of workers. For example, employers get a tax break for the employment of artists, to a maximum of 682 USD per employee per month. For some institutions this indirect subsidy can total 132,000 to 264,000 USD.

The National Lottery is a public law limited company under the direct supervision of the national Minister of the Budget and Minister of Finances. Subsidies for culture are distributed both via Ministerial budgets, and directly via sponsorship. Figures for these subsidies are not available.

There is very limited private support for culture in Belgium, in part because giving is not incentivised through a tax deduction scheme or other legal framework. In 2012, estimated corporate sponsorship of culture in Brussels totalled 22 million USD.



Photo courtesy of Tokyo Metropolitan Government

Inauguration of Brussel's new pedestrian zone, summer 2015
Photo © Vincent Peak, Courtesy of City of Brussels

Data Sources

Currency conversion: 1 € ➡ \$ 1.32
2015 average

Page	Data	Source / Year	Note
44	Percentage of national culture budget: 30%	Official budgets / BOP / 2015	Percentage of national culture budget allocated to Brussels. Total national culture budget calculated by the combined budgets from: - Politique scientifique (Ministre Sleurs): €71 million (2015) . Assume all culture budget went to Brussels - Institutions culturelles fédérales (Ministre Reynders): €55 million (2015) Assume all culture budget went to Brussels - Fédération Wallonie-Bruxelles: €579 million (2015) Media budget excluded - Vlaamse Gemeenschap: €546 million (2015). Culture and cultural heritage budget. Media budget excluded - Deutschsprachige Gemeinschaft: €6.6 million
45	Ministry for Federal Cultural Institutions: 73 million	City of Brussels / 2015	Funding for La Monnaie, BOZAR and Orchestre national de Belgique
45	Secretary of State for Scientific Policy: 93 million	City of Brussels / 2015	Direct funding for Royal Museums of Fine Arts (EUR 3.87million) , Royal Museums of Art and History (EUR 4.96 million) , Royal Library of Belgium (EUR 6.27 million) , State Archives of Belgium (EUR 4.81 million), Royal Institute for Cultural Heritage (EUR 1.34 million) , and CEGESOMA (EUR 1.5 million). Payroll estimated based on number of employees in each institution (total 1400 employees), assume an average cost of EUR 34,000 per employee.
45	Ministry for Culture of the French Community: 256 million	Ministry for Culture of the French Community / BOP/ 2015	
45	Ministry for Culture of the French Community artistic creation funding: 62 million	Ministry for Culture of the French Community / 2015	
45	Ministry for Culture of the French Community cultural education and cultural centre funding: 62 million	Ministry for Culture of the French Community / 2015	
45	Ministry for Culture of the French Community other direct subsidies: 50 million	Ministry for Culture of the French Community / 2015	Support for production: EUR 1.17 million Support for dissemination: EUR 19.74 million Support for conservation: EUR 3.64 million Support for education: EUR 46.66 million Management: EUR 12.63 million
45	Ministry for Culture of the French Community other cultural spending: 82 million	Ministry for Culture of the French Community / City of Brussels/ BOP/ 2015	Estimated based on share of population residing in Brussels-Capital Region within the French Community (25%). Assume per capita cultural spending is the same across the French Community.
45	Flemish Ministry of Culture, Youth, Sports and Media, Agency of Arts and Heritage, Arts Decree: 32 million	City of Brussels / 2016	Estimate
45	Flemish Ministry of Culture, Youth, Sports and Media funding for Brussels Philharmonic and Flemish Radio Orchestra: 11 million	City of Brussels / 2014	
45	Flemish Ministry of Culture, Youth, Sports and Media funding for concert hall Ancienne Belgique: 3 million	City of Brussels / 2014	

Brussels piétonnier
Photo © Vincent PEAL.
Courtesy of City of Brussels



45	Flemish Ministry of Culture, Youth, Sports and Media grant funding for culture: 9 million	City of Brussels / 2014	Flemish Brussels Fund (€3.3 million), Brusselse podia (€2.5 million) and other subsidies (€2.2 million)
45	Flemish Ministry of Culture, Youth, Sports and Media; heritage: 2 million	City of Brussels / 2016	Estimated based on share of population residing within Brussels-Capital Region (5%), assume per capita cultural spend on heritage is the same across the Flemish Community.
45	Flemish Ministry of Culture, Youth, Sports and Media; Agency for Social Work: 12 million	City of Brussels / 2016	Estimated based on share of population residing within Brussels-Capital Region (5%), assume per capita cultural spend on is the same across the Flemish Community.
45	Brussels-Capital Region cultural budget: 46 million	City of Brussels / 2016	
45	Brussels-Capital Region Monuments and Sites Directorate: 29 million	City of Brussels / 2016	
45	Brussels-Capital Region; Screen.Brussels: 5 million	City of Brussels / 2016	
45	Brussels-Capital Region; Visit.Brussels: 7 million	City of Brussels / BOP/ 2016	Estimate
45	Brussels-Capital Region; other cultural projects funding: 5 million	City of Brussels / BOP/ 2016	Estimate
46	Brussels Commission of the Flemish Community culture budget: 29 million	City of Brussels / 2015	
46	Brussels Commission of the French Community: 17 million	City of Brussels / 2015	
46	Nineteen local municipalities culture budget: 33 million	City of Brussels / BOP/ 2015	Estimate
46	City of Brussels culture budget: 38 million	City of Brussels / 2016	
46	Belgian Tax Shelter: 35 million	City of Brussels / BOP / 2015	Estimated based on the Belgian Tax Shelter value nationally (€140 million), proportionated by the size of economy of Brussels (20%)
46	Corporate sponsorship of culture in Brussels: 22 million	Compendium Cultural Policies and Trends in Europe / BOP / 2011	Estimated based on national private sponsorship to arts and culture (€89 million), proportionated by the size of economy of Brussels (20%)



13th Istanbul Biennial
Photo © Servet Dilber. Courtesy of Istanbul Directorate of Culture and Tourism:

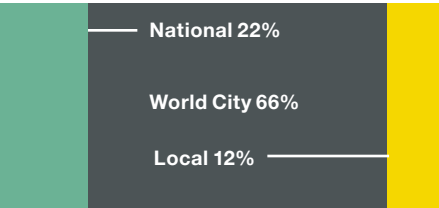
Istanbul

Funding for culture

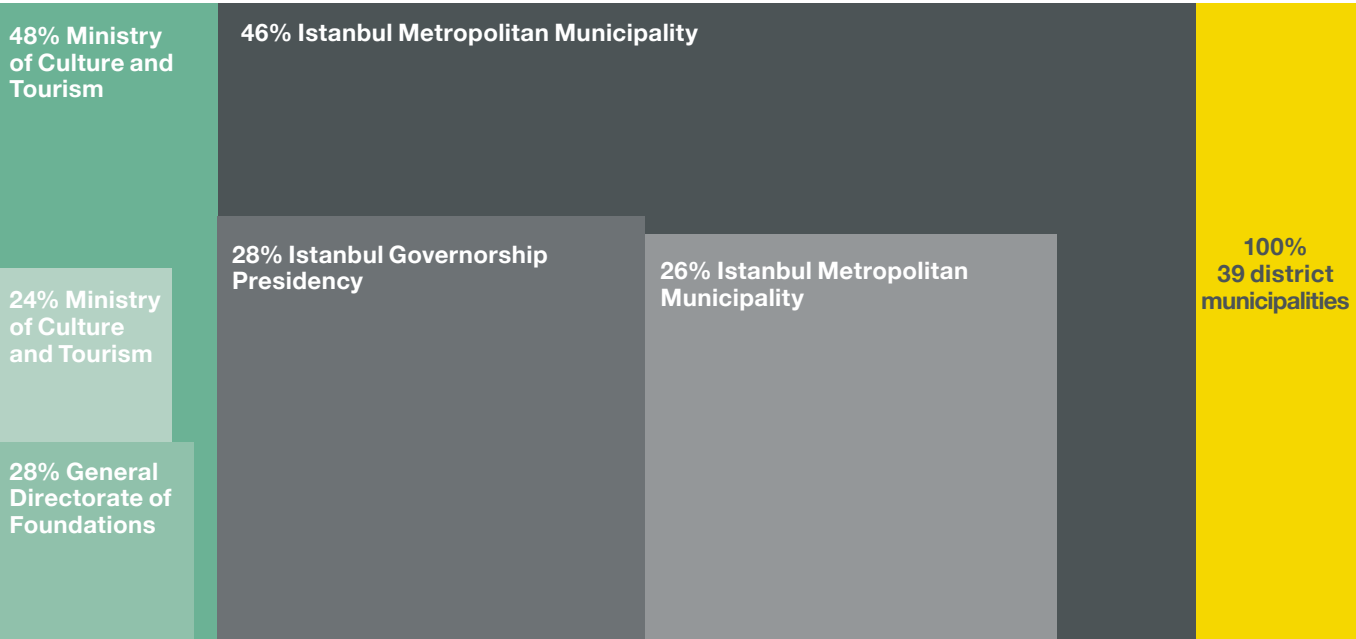
Public direct 479M USD + 7M USD
(culture-dedicated + non-culture-dedicated)

Public indirect ?
Private giving and sponsorship ?

Public direct funding - sources



Culture-dedicated public direct funding



National 103M USD

- State-owned cultural organisations
- Cultural heritage preservation
- Grants and cultural activities

World City 316M USD

- Cultural services
- Heritage and museums
- Culture Co

Local 60M USD

- Local cultural centres and cultural activities

Overview

Public funding system: Relatively decentralised, dominated by world city funding, with a significant amount of national funding for regions which is controlled at regional level. (In this case the region and the world city cover the same area.)

Percentage of national culture budget: 21%

Sector/institutional profile of direct public spend: Primarily institutions owned by government – cultural centres, museums, libraries and theatres. There is also significant spending on the preservation and restoration of heritage.

Overall cultural spending profile: Some corporate sponsorship and indirect public funding. However overall statistics on private giving are not available.

Important non-culture public funders: Both the Republic of Turkey Promotion Fund and the Chamber of Commerce fund culture-related projects.



Photo courtesy of
Istanbul Directorate of
Culture and Tourism

Culture-dedicated public direct funding

At the **national level**, responsibility for culture lies with the Ministry of Culture and Tourism. It has 11 general directorates responsible for specific cultural domains, or for functions such as Research and Training, or Copyright. There are also a number of cultural venues and performing arts groups directly affiliated with the national Ministry. Of the Ministry's total culture budget, 21% (74 million USD) went to Istanbul in 2014-15. Together, the General Directorates of Cultural Assets and Museums, State Theatres, Fine Arts, and Cinema delivered 64 million USD of this.

About one third of spending by the Ministry of Culture and Tourism is grants and project-based funding. For example, the General Directorate of Cinema offers funds for film productions and research projects, and the General Directorate of Fine Arts funds the International Istanbul Opera Festival and International Istanbul Ballet Competition.

The General Directorate of Foundations – a national governmental body that oversees and maintain cultural heritage – has two regional offices in Istanbul, one on the Asian and one on the European side of the city. Their responsibilities include the preservation and restoration of historic buildings and estates belonging to Ottoman-era foundations. The regional offices spent 29 million USD on culture in 2014-15.

At the **world city level**, the Istanbul Metropolitan Municipality (IMM) owns a large number of cultural centres, museums, libraries and theatres across Istanbul. It also provides financial and in-kind support to the cultural sector. In 2014-15 it spent 146 million USD on cultural services such as providing free

arts education courses and cultural events.

In 1989 the IMM established Culture Co (Istanbul Cultural and Artistic Products Corporation), an enterprise arm responsible for administering the cultural venues owned by IMM. Culture Co also organises festivals and events, and carries out and disseminates research on culture in Istanbul. In 2014-15 the IMM budget for Culture Co was 82 million USD. Culture Co also earns revenue through ticket and book sales.

In addition to the Istanbul Metropolitan Municipality, there is also a Provincial Administration in Istanbul, administered by a Governor appointed by central government. The Istanbul Governorship Presidency of Investment Monitoring and Coordination funds the restoration of museums and historic sites across the city. This funding amounted to 88 million USD in 2014-15.

At the **local level**, each of Istanbul's 39 district municipalities has a department of culture. They own and fund local cultural centres which run free activities such as guided cultural tours, art courses, reading days, children's plays, and community celebrations. In 2014-15, the district municipalities spent an estimated 60 million USD on cultural centres and activities.

Other public funders

In 2014-15, funding from public bodies other than those listed above was 7.5 million USD, about 1.5% of Istanbul's public direct cultural budget.

The Republic of Turkey Promotion Fund funded 28 cultural events in Istanbul in 2014-15. The Istanbul Chamber of Commerce also regularly funds cultural events and festivals in the city. Together the cultural spending by these two agencies amounted to 6 million USD.

The Istanbul Development Agency (ISTKA), a local agency of the Ministry of Development, provides funding and technical assistance to public and private sector and NGOs. Since 2010 it has funded several projects focusing on the creative economy, including research on the cultural heritage and cultural economy of Istanbul, research on Turkish cinema and Creative Istanbul workshops.

The Provincial Directorate of Youth and Sports also funds cultural events.

Public indirect and private funding

Tax exemptions are in place to support cultural organisations and incentivise corporate sponsorship. According to national law, eligible cultural organisations receive support from the treasury for payment of utility bills and employer contributions to social insurance. In addition, corporations providing sponsorship to eligible organisations can deduct this from their corporation tax. The value of these tax exemptions has not been publicly released.

Banks and large corporations (and their foundations) are the main private funders of arts and culture in Istanbul. Festivals and events often receive corporate sponsorship: for example, the Koc Group has sponsored the Istanbul Biennale for the past 10 years.

The Istanbul Foundation for Culture and Arts, one of the most high-profile cultural foundations in Istanbul, produces festivals including the International Istanbul Film Festival, the International Theatre Festival, and Istanbul Biennale. Its private funding amounted to 17.5 million USD in 2014.



New funding models

Fongogo is a new Turkish crowdfunding platform with a team based in Istanbul. In 2014, eight cultural projects were funded through this platform, receiving a total of 78,350 USD. Many of these projects had a strong social focus: for example, one set up outdoor cinemas in rural villages in order to provide arts programmes for young people. Projects are rarely funded entirely through crowdfunding, but this platform offers a new funding stream.

Hagia Sophia Interior
Photo courtesy of
Istanbul Directorate of
Culture and Tourism

Data Sources

Currency conversion: 1 TL ⇌ \$ 0.46
2014 average

Page	Data	Source / Year	Note
52	Percentage of national culture budget: 21%	Ministry of Culture and Tourism / BOP / 2014 - 15	Percentage of Ministry of Culture and Tourism's culture budget allocated to Istanbul (162 million Turkish Lira). This includes funding to the 11 general directorates.
53	Ministry of Culture's budget to Istanbul: 74 million	Istanbul Directorate of Culture and Tourism / 2014 - 15	This figure includes funding via the Ministry's 11 directorates.
53	General Directorates of Cultural Assets and Museums, State Theatres, Fine Arts, and Cinema: 64 million	Istanbul Directorate of Culture and Tourism / 2014 - 15	
53	The General Directorate of Foundations regional offices: 29 million	Istanbul Directorate of Culture and Tourism / 2014 - 15	
53	Istanbul Metropolitan Municipality culture budget: 146 million	Istanbul Directorate of Culture and Tourism / 2014 - 15	
53	Culture Co: 82 million	Istanbul Directorate of Culture and Tourism / 2014 - 15	
53	Istanbul Governorship Presidency of Investment Monitoring and Coordination: 88 million	Istanbul Directorate of Culture and Tourism / 2014 - 15	Official correspondence carried out by Provincial Directorate of Istanbul
53	District municipalities: 60 million	Istanbul Directorate of Culture and Tourism / BOP / 2014 - 15	Estimated based on average cultural spending of 21 municipalities.
54	Other public bodies funding: 7.5 million	Istanbul Directorate of Culture and Tourism / BOP / 2014 - 15	Includes funding from Republic of Turkey Promotion Fund; Provincial Directorate of Youth and Sports; Chamber of Commerce; Istanbul Development Agency
54	Republic of Turkey Promotion Fund, Istanbul Chamber of Commerce: 6 million	Istanbul Directorate of Culture and Tourism / BOP / 2014 - 15	
54	Istanbul Foundation for Culture and Arts private funding: 17.5 million	Istanbul Foundation for Culture and Arts / 2014	
55	Fongogo: 78,350 USD	Istanbul Directorate of Culture and Tourism / 2014	



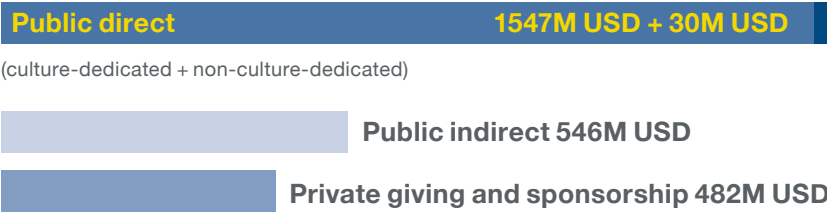
Courtesy of Istanbul Directorate of Culture and Tourism



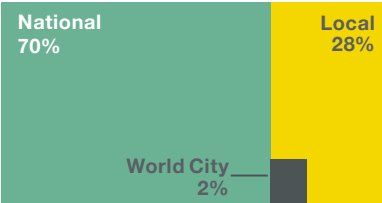
Busk in London Festival 2015
Photo © Rafael Bastos Courtesy of Greater London Authority

London

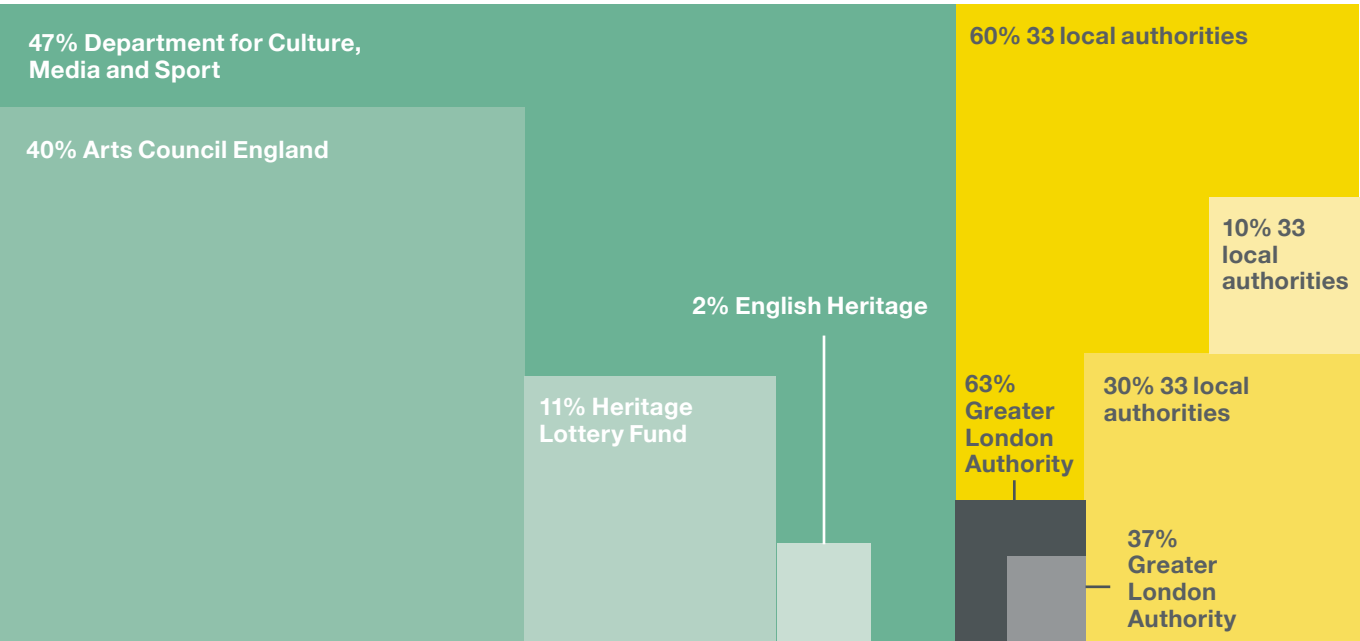
Funding for culture



Public direct funding Sources



Culture-dedicated public direct funding



National 1082M USD

- National museums and galleries and British Library
- National Portfolio Organisations and grants to other culture organisations
- Grants for heritage and arts projects
- Heritage funding

World City 19M USD

- Museum of London
- Project funding (e.g. London Fashion Week, Fourth Plinth)

Local 447M USD

- Local library services
- Museums, galleries, theatres and public entertainment
- Arts development services, archives and heritage

Overview

Public funding system: Mix of central and local funding. In relative terms, very little investment from world city level, in the context of very little devolution to the capital city.

Percentage of national culture budget: 41% ^{1/}

Sector/institutional profile of direct public spend:

National government spending in London goes to national museums based in the capital, which often have a national remit. Additionally, national spending in London comes from arms length bodies, in particular the Arts Council, which funds arts organisations based in the city, some of which also have a national remit. City funding goes to the Museum of London plus specific programmes, while local authority spending is mainly on libraries.

Overall cultural funding profile: Private philanthropy is important in London, with individual donations accounting for the majority of fundraised income. Indirect public funding is dominated by tax credits for the film industry and TV.

Important non-culture public funders: Around 40% of city funding for culture in London comes from other departments, including the Education, Regeneration and Economic Development teams. At a national level the city's culture department also received funding from the Department of Education in 2014-15.

^{1/}
Percentage of national culture budget which goes to London-based organisations.

Culture-dedicated public direct funding

At the **national level**, responsibility for culture lies with the Department for Culture, Media and Sport (DCMS). It funds 42 arms-length ^{2/} organisations and public bodies which deliver public services. These include Arts Council England, an arms-length body which is the major grant-making organisation for the arts in England, as well as similar organisations in the devolved nations of the UK. ^{3/} The majority of Arts Council England funding in London goes to National Portfolio Organisations, ^{4/} a total of 338 million USD in 2014-15. An additional 99 million USD of Arts Council England funding went to programmes such as Grants for the Arts, which offers project funds.

English Heritage, another arms-length organisation, spent 19 million USD in London in 2014-15, out of a total spend of 155 million USD.

The DCMS also funds 16 national museums and galleries, of which 14 are based in London. Grants to the London-based organisations totalled 509 million USD.

The National Lottery, established in 1994, also provides funds for culture. Of the 2,746 million USD raised through the lottery in 2014/15, 20% is allocated to the arts and 20% to heritage. Lottery funds are managed by twelve organisations nominated by Parliament, including the Heritage Lottery Fund and Arts Council England. In 2015-16, the Heritage Lottery Fund gave out 115 million USD in grant funding to London-based projects (not including capital projects).

At the **world city level**, responsibility for culture lies with the culture department at the Greater London Authority (GLA).

The GLA was established in 2000, after the abolition of the Greater London Council in 1986, and is a strategic regional authority whose responsibilities and budget are limited compared to most other world city governments. It leads policy on culture, transport, planning and the environment.

The GLA's culture budget in 2015-16 was 19 million USD, 5% of its total budget. Of this, 12 million USD went to the Museum of London, with the rest of the budget invested in projects including London Fashion Week, the Fourth Plinth, and Film London.

At the **local level**, London has 33 local authorities: 32 boroughs plus the City of London. Their responsibilities include schools, libraries, recreation and local cultural institutions. In 2014-15 London's local authorities spent 447 million USD on culture, 2.2% of their total budget. Of this 268 million USD was spent on libraries (60%); 132 million USD on museums, galleries, theatres and entertainment; and 47 million USD on arts development, archives and heritage.

Local authorities are financed both by the national government (64% in 2014-15) and by local taxes. Over the past few years, national government funding to local authorities has been cut by around 40%. This has put significant pressure on their cultural spending.

^{2/}
Arms-length organisations are public institutions operating with varying degrees of independence from government.

^{3/}
The devolved nations of the UK are Scotland, Wales and Northern Ireland.

^{4/}
National Portfolio Organisations receive regular funding from the Arts Council England, currently over a funding period of three years.

Other public funders

At the national level, the Department for Education spent 18 million USD on a network of 29 Music Education Hubs in London, which brings together local authorities, schools and local organisations to create a provision for music education.

At the world city level, the GLA culture department works with other departments within the GLA on culture-related projects. Around 40% of city funding for culture in London – an estimated 12 million USD – comes from non-culture teams. For example, the GLA Regeneration Unit is currently delivering two programmes, the Mayor's High Street Fund (HSF) and the London Regeneration Fund (LRF), both of which contain a significant cultural element.

Public indirect and private funding

Many cultural organisations are charities and benefit from a national tax exemption. In addition, the Gift Aid programme allows charities to increase the value of donations from UK taxpayers by 25% through reclaiming the tax paid on these donations. There are also tax incentives for corporate giving and for payroll giving. The estimated value of indirect public funding for culture to London organisations via the Gift Aid scheme was 33 million USD in 2014-15.

A Cultural Gifts Scheme allows individuals and corporations to reduce their tax liability by 30% of the value of cultural objects donated to the nation (for example paintings or sculpture). The Acceptance in Lieu scheme allows inheritance taxes to be reduced based on donations of cultural objects.

London's creative industries benefit significantly from national tax incentives.

5/ Nationally, these credits include 517 million USD to the film industry; 147 million USD for 'high-end' television; and 20 million USD for animation (2015-16). Of this, the estimated value of these credits to London was 513 million USD. Tax incentives for children's television, video games, theatre production, orchestra and exhibitions in museums and galleries have recently been introduced.

In London, local authorities offer discretionary relief on local business taxes to cultural organisations, as well as other forms of indirect support such as free or subsidised rent for rehearsal, exhibitions and office space.

Private giving to arts and culture is high in the UK. A recent survey by Arts Council England revealed that in 2014-15, individual giving to the London culture sector was 284 million USD, with trusts and foundations contributing 116 million, and corporations 82 million USD, totalling 482 million USD in private giving.

5/

The UK's creative industries are concentrated in London. For example, approximately 75% of the UK film industry is based in and around London

New funding models

New models for financing the arts are emerging. For example, 'social investment funds,' where investors seek social as well as financial returns. A recent initiative is the Arts Impact Fund which provides soft loans to cultural organisations. It is supported by Arts Council England, the innovation charity Nesta, and private foundations and corporate donors. The London-based Studio Wayne McGregor has received finance through this programme, amongst others.

The Globe Theatre in London has launched its own social impact bond, seeking to raise 7.5 million USD to fund a new library, archive and research centre. It is expected to draw investment that generates both social impact and a financial return.

The Mayor of London is exploring plans for a Creative Land Trust to support affordable creative workspace across the capital. It will enable access to finance the ownership of buildings for use as creative workspace in perpetuity. The trust will combine public funds, philanthropy and social impact investment. It was inspired by similar models in other cities, such as the San Francisco Community Arts Stabilization Trust.



Muaré by Voalá.
Greenwich Docklands
International Festival.
Photo © Steve
Eggleton. Courtesy
of Greater London
Authority

Data Sources

Currency conversion: 1   1.53
2015 average

Page	Data	Source / Year	Note
60	Percentage of national culture budget: 41%	DCMS / BOP / 2014-15	National culture budget comprised of: 1) DCMS culture budget (excluding broadcasting budget); 2) Scotland's culture budget (including Historic Scotland budget); 3) Wales culture budget and 4) Northern Ireland's culture budget.
61	Arts Council England spending to National Portfolio Organisations located in London: 338 million	Arts Council England "Arts Council England Grant Commitments 2014-15" / 2014-15	
61	Arts Council England Grants for the Arts funding to London culture sector: 99 million	Arts Council England "Arts Council England Grant Commitments 2014-15" / 2014-15	
61	DCMS grants to 14 national museums and galleries located in London: 509 million	DCMS / BOP / 2014-15	British library, British Museum, Geffrey Museum, Horniman, Imperial War Museum, National Gallery, National Maritime Museum, National Portrait Gallery, National History Museum, Sir John Soane's Museum, V&A, Wallace Collection, SMG (partial), Tate (partial)
61	English Heritage spending in London: 19 million	English Heritage / 2014-15	
61	Heritage Lottery Fund grant funding to London-based projects: 115 million	Heritage Lottery Fund / 2015-16	Figure does not include grant funding for capital projects.
61	Greater London Authority Culture Team budget: 19 million	Greater London Authority / 2015-16	
61	Greater London Authority funding to Museum of London: 12 million	Greater London Authority / 2015-16	
61	London's local authorities total spending on culture: 447 million	UK Department for Communities and Local Government "Local Authority Revenue Expenditure and Financing England 2014-15 Final Outturn" / 2014-15	
61	London's local authorities spending on libraries: 268 million	UK Department for Communities and Local Government "Local Authority Revenue Expenditure and Financing England 2014-15 Final Outturn" / 2014-15	
61	London's local authorities spending on museums, galleries, theatres and entertainment: 132 million	UK Department for Communities and Local Government "Local Authority Revenue Expenditure and Financing England 2014-15 Final Outturn" / 2014-15	
61	London's local authorities spending on arts development and support, archives and heritage: 47 million	UK Department for Communities and Local Government "Local Authority Revenue Expenditure and Financing England 2014-15 Final Outturn" / 2014-15	
62	Department of Education funding to Music Education Hubs: 18 million	Arts Council England "Allocations for Music Education Hubs 2015-16" / 2015-16	Figure represents funding for 29 hubs located in London.
62	Greater London Authority funding for culture from non-culture teams: 12 million	Greater London Authority / 2015-16	Estimate
62	Indirect public funding for culture to London organisations via the Gift Aid scheme: 33 million	Arts Council England "Private Investment in Culture Survey" / UK Giving 2015 / BOP / 2014-15	Estimated based on total individual donations to London culture sector. Assume 25pc of public indirect funding for every £1 donations under Gift Aid scheme. Assume that 47% of these donations use Gift Aid (UK Giving Report 2015).
62	Tax credits to film industry: 517 million	HM Revenue & Customs / 2015-16	Official Statistics on Film, High-End Television, Animation, and Video Games Tax Relief, July 2016. National figure

Spectra by Ryoji Ikeda Photo © Jonathan Perugia. Courtesy of Greater London Authority



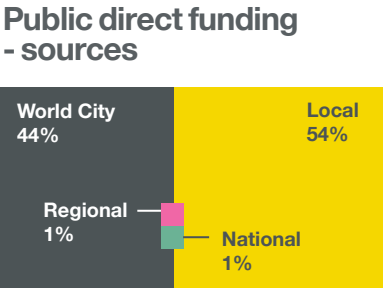
62	Tax credits to 'high end' television: 147 million	HM Revenue & Customs / 2015-16	Official Statistics on Film, High-End Television, Animation, and Video Games Tax Relief, July 2016. National figure
62	Tax credits to animation: 20 million	HM Revenue & Customs / 2015-16	Official Statistics on Film, High-End Television, Animation, and Video Games Tax Relief, July 2016. National figure
62	Tax credits to London creative industries: 513 million	HM Revenue & Customs / BOP / 2015-16	Proportionated from national figure based on the size of London film sector
62	Individual giving to London culture sector: 284 million	Arts Council England "Private Investment in Culture Survey" / 2014-15	
62	Private trusts and foundations giving to London culture sector: 116 million	Arts Council England "Private Investment in Culture Survey" / 2014-15	
62	Private corporations giving to London culture sector: 82 million	Arts Council England "Private Investment in Culture Survey" / 2014-15	
62	Total private giving to London culture sector: 482 million	Arts Council England "Private Investment in Culture Survey" / 2014-15	

Los Angeles

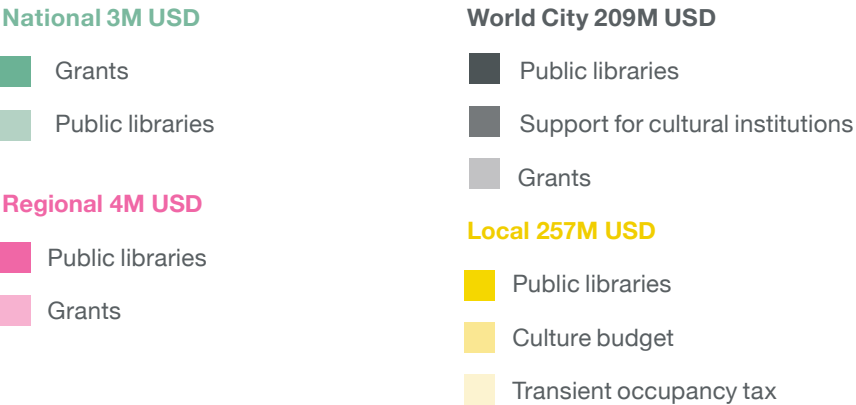
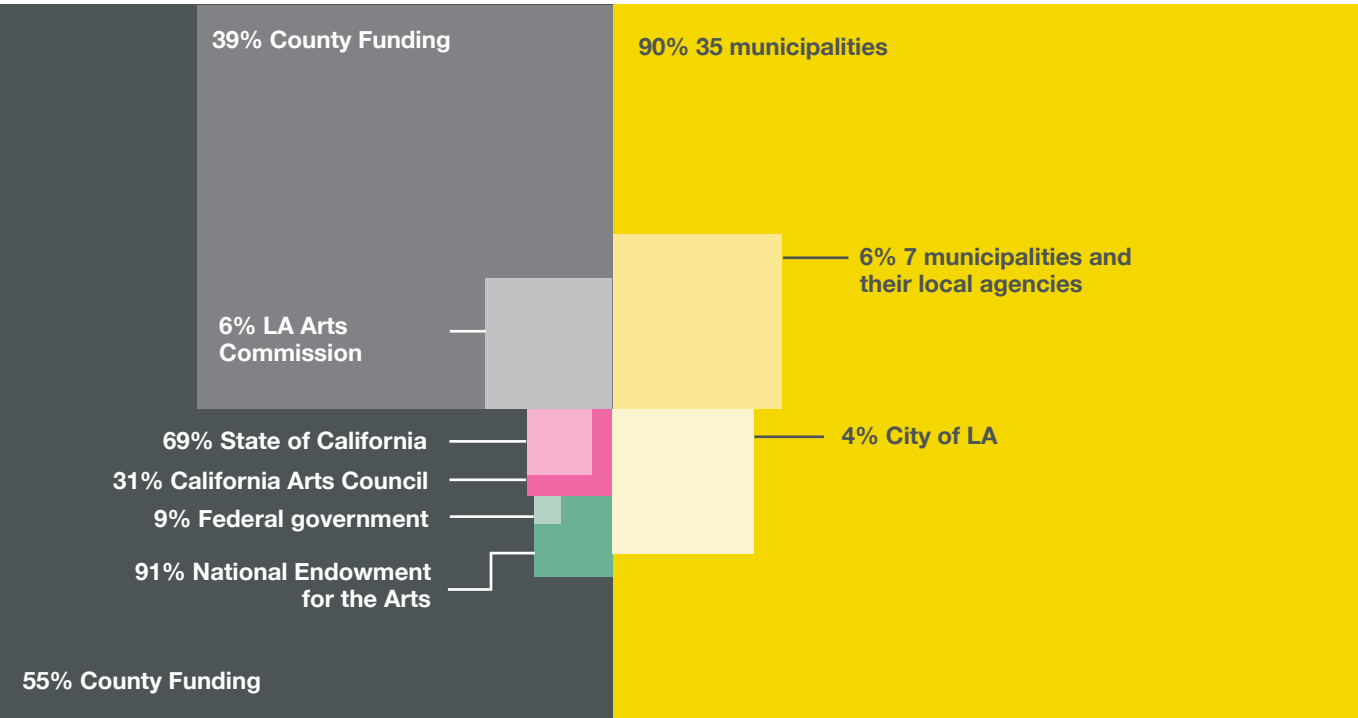


Santa Monica Pier shot
Photo Courtesy of the City of Los Angeles Department of Cultural Affairs and Cultural Programs

Funding for culture



Culture-dedicated public direct funding



Overview

Public funding system: Extremely decentralised. Strong role for world city region as well as municipalities, though national level important for indirect tax expenditure.

Percentage of national culture budget: 2%

Sector/institutional profile of direct public spend: Concentrated very heavily on library systems at local and world city level, with a small portfolio of major cultural organisations also supported at world city level.

Overall cultural funding profile: Major philanthropic contribution – equivalent to 88% of direct public funding – leveraged by tax expenditures (c. \$25m) of direct spend.

Important non-culture public funders: Other city departments provide cultural services. Public art supported by “1% for art” programme.



Ford Theatres dance
Photo © The Future Collective for the LA County Arts Commission. Courtesy of LACAC/City of Los Angeles

Culture-dedicated public direct funding

At the **national level** the main source of culture funding is the National Endowment for the Arts (NEA), an independent agency that provides grants and contracts to individuals, institutions at every administrative level, and non-profit organisations. In 2014, the NEA gave 3 million USD in grants to organisations and individuals in Los Angeles, representing 2% of the total NEA budget.

Other federal bodies funding the arts include the National Endowment for the Humanities, US Department of Education, Smithsonian Institutions, Corporation for Public Broadcasting, Institute of Museum and Library Services, and the Kennedy Center for the Performing Arts. The US Department of Education also supports arts education programmes, though the main responsibility for education rests at state level. The LA County library system received 300,000 USD from the federal government.

At the **regional (state) level**, LA receives money from the California Arts Council, a state agency giving open grants to local government, city and county agencies like the LA County Arts Commission, non-profit organizations and individuals. A 94% funding cut in 2003 meant that in 2013-14, California was ranked 49th out of 50 states for arts funding per capita. However, state funding for the Council was increased in 2014 for the first time in ten years. In that year it granted 1 million USD to arts and culture in LA.

The state also contributes 3 million USD to the LA library system.

At the **world city level**, the LA County Arts Commission, funded by donations as well as by the government, is the largest grant maker to arts non-profits. In 2014-15 the Arts Commission budget

was 12 million USD. In 2015, the LA County Arts Commission launched the Community Impact Arts Grant program, which provides arts grants to non-profit organizations doing such work as homeless services and environmental protection. While it is difficult to make the case for public investment in arts, there is increasing interest in LA in using the arts to achieve other goals, which is now generating new money for the arts.

County government also supports major cultural institutions including the Descanso Gardens, Ford Theatres, Grand Park, LA Plaza de Cultura y Artes, Los Angeles County Arboretum and Botanic Garden, Los Angeles County Art Museum, Music Center, and the National History Museum of Los Angeles County. In 2015-16, County funding for these institutions totalled 82 million USD.

At the **local level**, Los Angeles is unusual in its level of decentralisation, even by the standards of the United States. LA County consists of 88 municipalities (including the Cities of Los Angeles, Beverly Hills, Santa Monica and West Hollywood), each of which is free to adopt their own approach to culture. Seven municipalities provide grants to arts organisations and artists. 1/ They also provide direct funding for public art, arts institutions and arts activities, as do many of the other municipalities. These seven cities had a combined total arts budget of nearly 15 million USD in 2014-15.

However, by far the largest sums of public money are invested in the LA County library system, which receives 115 million USD from the county and 231 million USD from 35 municipalities, each funding their own libraries. The City of LA library system represents 46% of this combined funding.

Other public funders

In the city of Los Angeles, other departments provide arts and culture services. For example, the Departments of Public Health and Mental Health fund arts programs designed to have health outcomes. Along with the Department of Cultural Affairs, the Department of Transportation (DoT) co-funds a Creative Catalyst Artist in Residence who will work with the DoT to help reduce traffic fatalities.

Los Angeles County operates a 'one percent for art' programme, whereby 1% of the design and construction costs of any capital project by County government is set aside for public art. This usually becomes part of the budget of the LA County Arts Commission, which manages the process. The cost of maintenance is covered by the department(s) housed in the building. Many municipalities within Los Angeles County have similar percent for art programmes that apply to private developers, and some have both public and private percent for art policies.

The LA Tourism and Convention Board has supported culture as part of its efforts to create a cohesive marketing strategy for the region. For example, its 2012 'Discover the Arts' campaign offered half-price admissions to fifty cultural institutions.

Hypothecated tax – a tax whose proceeds are ringfenced and can only be spent on specific activities or areas – is also used to fund culture in Los Angeles. LA City has a 1% transient occupancy tax (a tax on hotel rooms) which generates about 11 million per year for the Department of Cultural Affairs. Other cities in LA County have a similar tax but the revenues generated are much lower.

A 2.5 percent fee on the gross receipts of cable operators in the unincorporated areas of the county also funds the Cable Television Franchise Fund, which supports the filming and distribution of performing arts programmes.

Public indirect and private funding

In the United States, most funding for arts and culture comes from private sources, primarily donations from individuals and ticket sales. In 2014, funding for culture in Los Angeles County totalled 245 million USD from individual donations, 134 million from private foundations and 33 million from non-foundation corporate funding. Earned revenue, however, is even more significant, representing 626 million USD for Los Angeles organisations in the same year. (The figures in this paragraph include only those organisations that submit Cultural Data Profiles to DataArts, so in actuality more is spent on arts and culture than these figures indicate.)

Philanthropy coupled with tax incentives is a popular model in the United States due to the freedom that it gives individuals to direct their contributions to their preferred cultural institutions. The federal government incentivises private charitable contributions by forgoing 33-35 cents in tax revenue for each dollar donated to a non-profit. The estimated value of this incentive to in LA was 25 million USD in 2014.



New funding models

Artist Collectives are a novel approach to arts funding in LA, particularly important to small theatres. Neither non-profit organisations nor businesses, they are not typically captured by standard measures for arts funding or financial impact. They are important for their ability to provide support that amplifies the work of member artists and arts organisations.

The Getty Center Interior

Photo © Travis Conklin.
Courtesy of the
City of Los Angeles
Department of Cultural
Affairs Angeles

Data Sources

Page	Data	Source / Year	Note
68	Percentage of national culture budget: 2%	National Endowments for the Arts / 2014-15	Percentage of total grants from NEA awarded to organisations and individuals in LA
69	NEA grants to LA: 3 million	National Endowments for the Arts / 2014-15	
69	Federal library funding: 300,000	Institute of Museum and Library Services / 2013	Funding for the 36 library systems in LA county
69	California Arts Council: 1 million		
69	State funding for LA libraries: 3 million	Institute of Museum and Library Services / 2013	Funding for the 36 library systems in LA county
69	LA County Arts Commission budget: 12 million	County of Los Angeles Budget / 2014 - 15	Budget includes small proportion of funding from other governments and income sources.
69	County funding for core institutions: 82 million	County of Los Angeles / 2014 - 15	
69	7 cities' arts budget: 15 million	LA County Arts Commission / 2014-15	Los Angeles, Santa Monica, Santa Clarita, Pasadena, Long Beach, West Hollywood and Culvert City
69	County funding to LA libraries: 115 million	Institute of Museum and Library Services / 2013	Funding for the 36 library systems in LA county
69	Municipalities funding to LA libraries: 231 million	Institute of Museum and Library Services / 2013	Funding for the 36 library systems in LA county
70	LA City transient occupancy tax: 11 million	LA County Arts Commission / 2016	
70	Individual donations: 245 million	DataArts / 2014	Figure includes only those organisations that submit Cultural Data Profiles to DataArts.
70	Private foundations donations: 134 million	DataArts / 2014	Figure includes only those organisations that submit Cultural Data Profiles to DataArts.
70	Non-foundation corporate funding: 33 million	DataArts / 2014	Figure includes only those organisations that submit Cultural Data Profiles to DataArts.
70	Earned revenue: 626 million	DataArts / 2014	Figure includes only those organisations that submit Cultural Data Profiles to DataArts.
70	Federal government tax incentives for private charitable contributions: 25 million	DataArts / LA County Arts Commission / BOP / 2014	Estimated based on 34 cents tax revenue forgone for each dollar of itemised individual donations, assuming that 30% of the total private donations (\$244,668,123) were itemised for tax benefits. Figure does not include tax breaks from individual donations to libraries.

Watts Towers
Photo Courtesy of Los Angeles
County Arts Commission





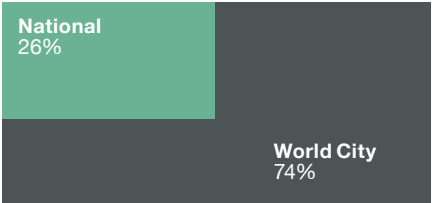
Krymskaya embankment
Photo courtesy of the Moscow Institute for Social and Cultural Programs

Moscow

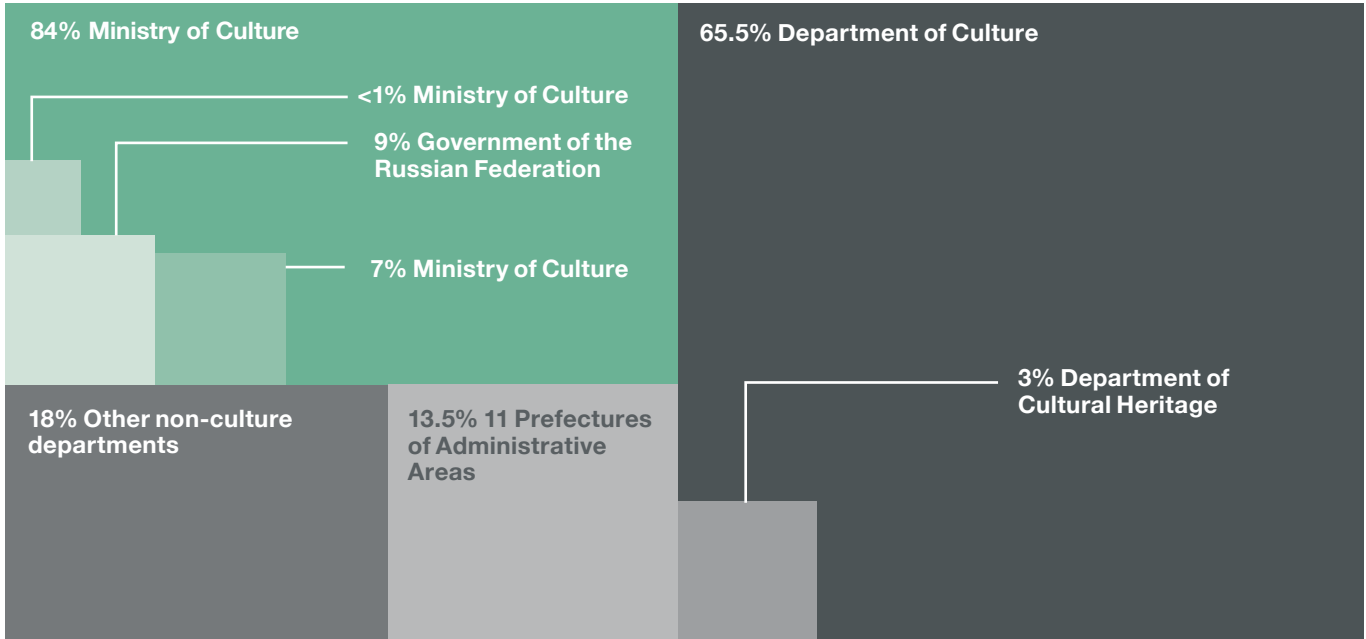
Funding for culture



Public direct funding - sources



Culture-dedicated public direct funding



National 700M USD

- 91 state-owned Moscow-based cultural organisations and the Federal Archive Agency
- Maintenance of cultural heritage and state-owned cultural organisations
- Project-based funding
- Grants of the President

World City 1702M

- Funding from “The Culture of Moscow 2012-18” and “The Development of the Recreation and Tourism Industries 2012 – 18” state programmes
- Funding from “The Culture of Moscow 2012-18” and “The Development of the Recreation and Tourism Industries 2012 – 18” state programmes
- Local**
(funding through World City)

Overview

Public funding system: Dominated by city-controlled funding via two main cultural programmes, which also fund local cultural activities. National Ministry of Culture funding is also significant.

Percentage of national culture budget: 25%

Sector/institutional profile of direct public spend: Almost all public spending goes to an extremely large network of state-owned and managed institutions. Grant programmes are under development but not currently active.

Overall cultural funding profile: Dominated by public funding with some earned revenue. Relatively insignificant private giving revenues, mainly from foundations and businesses.

Important non-culture public funders: Other city departments spend from city culture programmes, while the Department of Culture in turn receives funding from other programmes, such as 'Capital City Education.'



Moscow City Day 2015.
Photo Courtesy of the
Moscow Institute for
Social and Cultural
Programs

Culture-dedicated public direct funding

At the **national level**, the Ministry of Culture of the Russian Federation manages and funds 91 Moscow cultural institutions including the Tretyakov Gallery, the Pushkin Museum of Fine Arts, the Historical Museum, and the Grand Theatre. These are some of the largest and best known cultural institutions in the city. State-owned institutions play a key role in Russian cultural life, with 92% of the Ministry's funding for Moscow going to organisations owned and run by the Ministry of Culture (586 million USD in 2014-15). Of the remainder, the Ministry spent 47 million USD on the maintenance of cultural heritage and 4 million USD on project-based activities. Of the total Ministry of Culture budget, 25% is spent in Moscow.

The Government of the Russian Federation also offers 'Grants of the President' to cultural institutions. These grants to Moscow totalled 63 million USD, representing 9% of national direct funding for Moscow.

At the **world city level**, there are two main programmes for culture. 'The Culture of Moscow 2012-2018' has a total budget of 6.5 billion USD over this seven-year period. Its priorities are to develop participation in cultural life by Moscow residents and to modernise and increase the impact of cultural institutions. 'The Development of Recreation and Tourism Industries 2012-2018' has a total budget of 4.2 billion USD over this seven-year period, and aims at developing the city environment, particularly green areas and public spaces.

The Moscow Department of Culture is the main coordinator of these programmes. It manages and funds 429

institutions at over 1,000 sites across the city, including libraries, museums, theaters, parks, recreation centers, exhibition halls, art schools, concert halls, and cinemas. It also runs public events and festivals. The scale of this network of city-owned institutions means that 4% of the city's total budget, 1.7 billion USD, is spent on culture.

In 2014-15, the Department of Culture received 860 million USD from 'The Culture of Moscow 2012-2018' and 255 million USD from 'The Development of Recreation and Tourism Industries 2012-2018'. It primarily provides core funding to city-owned organisations, although it also offers targeted subsidies for special cultural events and programmes, for which private businesses and non-profits are also eligible. Public grants are generally not available to institutions which are not state-owned, but a programme to widen access to public grants has been under development by the Department of Culture since 2013.

The Department of Cultural Heritage is responsible for the restoration and maintenance of historical buildings and monuments. It received about 3% of 'Culture of Moscow' funding in 2014-15, a total of 46 million USD.

A significant proportion of the budget of the two state-funded programmes is spent by agencies other than the Department of Culture and the Department of Cultural Heritage: 85 million USD of 'Culture of Moscow' and 225 million USD of 'Development of Recreation and Tourism' in 2014-15.

Moscow is pursuing an ambitious programme for the development and modernisation of cultural infrastructure, including Gorky Park and the Muzeon

Park of Arts. As it is funded from the culture budget, it requires cooperation between cultural agencies and the city agencies responsible for carrying out the work – including the Department of Construction, the Department of City Property, the Department of Housing, Utilities and Amenities, and the Department for Major Housing Repairs. Other agencies receiving culture funding include the Department of Education and the Committee on Tourism and Hotel Industry (funding for the latter is not included in statistics as it is capital investment).

At the **local level**, the 11 prefectures are responsible for local cultural activities as well as parks and gardens not managed by the Department of Culture. Their cultural spending is funded by both major city-wide programmes – 207 million USD from the ‘Development of Recreation and Tourism’ and 24 million USD from the ‘Culture of Moscow.’

Other public funders

The Department of Culture also receives funding from other non-culture programmes. For example, ‘The Capital City Education’ fund is drawn on to support art schools, music schools and relevant higher education institutions, while ‘Social support of Moscow residents’ funding is used to organise recreational activities for children. In 2014-15, the funding for the Department of Culture from these non-culture programmes was 272 million USD.

Public indirect and private funding

Article 149 of the Russian Tax Codes means that many cultural institutions are exempt from Value Added Tax. The estimated value from this exemption was 97 million USD in 2014-15. Moscow cultural organisations run by the Moscow Department of Culture are, according to city law, exempt from city land and property taxes. The value of these exemptions is estimated to be 147 million USD.

Philanthropy plays a relatively small but still important role in the financing of culture in Russia, and Moscow in particular. This is mainly delivered by private charitable foundations or the charitable programmes of businesses, rather than through individual donations. Corporate donations and sponsorships and support from trusts and foundations for Moscow cultural organisations was 24 million USD in 2014-15, equal to about 1% of public dedicated culture funding.

Earned income by Moscow cultural organisations owned and run by the Ministry of Culture and Department of Culture was 537 million USD in 2014-15, equivalent to approximately 20% of public dedicated culture funding. We do not include earned income as part of private funding in this report.

New funding models

Moscow is a leader in the use of public-private partnerships to restore and preserve cultural heritage. Under concession agreements, private organisations are allowed to use historical buildings at a reduced price or even free of charge (usually for a 49 year term) in exchange for investing in their upkeep and restoration. For example, in 2013 the Podari Zhizn foundation created a recreation and health centre for children in Izmalkovo mansion in the Novo-Peredelkino district. In 2015, the city attracted about 500 million USD of investment for the restoration of historic buildings.

Since 2012, the Department of City Property has run a “One ruble per square metre” programme which allows private organisations to lease historical buildings at a reduced price. Fourteen buildings were leased in 2013-15.

Other types of public-private partnership were put in place for the development of the Garage Center for Contemporary Culture, the construction of Zaryadye Park, and the development of the Moskva river area.



Patriarch's Pond.
Photo Courtesy of the
Moscow Institute for
Social and Cultural
Programs

Data Sources

Currency conversion: 2014 average 1 RUB ⇌ \$ 0.026

Page	Data	Source / Year	Note
76	Percentage of national culture budget: 25%	The Ministry of Culture of the Russian Federation / 2014-15	Percentage of Ministry of Culture budget (95.59 bln Rubles) allocated to Moscow (24.38 bln Rubles)
77	Ministry of Culture funding to state-owned organisations: 586 million	The Ministry of Culture of the Russian Federation / 2014-15	Figure concerns funding to federal cultural institutions and the Federal Archival Agency
77	Ministry of Culture cultural heritage maintenance: 47 million	The Ministry of Culture of the Russian Federation / 2014-15	
77	Ministry of Culture project-based activities: 4 million	The Ministry of Culture of the Russian Federation / 2014-15	
77	Grants of the President: 63 million	The Ministry of Culture of the Russian Federation / 2014-15	
77	'The Culture of Moscow 2012-2018' total budget: 6.5 billion	Moscow City Government Department of Culture / 2015	Budget over seven-year period
77	'The Development of Recreation and Tourism Industries 2012-2018' total budget: 4.2 billion	Moscow City Government Department of Culture / 2015	Budget over seven-year period
77	% of city's budget on culture: 4%; 1.7 billion	Moscow City Government Department of Culture / 2015	Percentage of Moscow city's budget (1,601 billion RUB) spent on culture
77	'The Culture of Moscow 2012-2018' Department of Culture budget: 860 million	Moscow City Government Department of Culture / 2015	
77	'The Development of Recreation and Tourism Industries 2012-2018' Department of Culture budget: 255 million	Moscow City Government Department of Culture / 2015	
77	'The Culture of Moscow 2012-2018' Department of Cultural Heritage budget: 46 million	Moscow City Government Department of Culture / 2015	
77	'The Culture of Moscow 2012-2018' other departments budget: 85 million	Moscow City Government Department of Culture / 2015	
77	'The Development of Recreation and Tourism Industries 2012-2018' other departments budget: 225 million	Moscow City Government Department of Culture / 2015	
78	'The Development of Recreation and Tourism Industries 2012-2018' 11 prefectures culture budget: 207 million	Moscow City Government Department of Culture / 2015	
78	'The Culture of Moscow 2012-2018' 11 prefectures culture budget: 24 million	Moscow City Government Department of Culture / 2015	
78	Non-culture programme funding for Department of Culture: 272 million USD	Moscow City Government Department of Culture / 2015	
78	Article 149 VAT exemption value: 97 million USD	Moscow City Government Department of Culture / BOP / 2015	Earned income from Moscow cultural institutions was 20.54 bln RUB in 2014-15. Figure estimated as the tax revenue forgone from this revenue based on standard VAT rate (18%)
78	Land and property tax exemption value: 147 million USD	Moscow City Government Department of Culture / 2015	
78	Private giving and sponsorships: 24 million	Moscow City Government Department of Culture / 2015	
78	Cultural organisations earned income: 537 million	Moscow City Government Department of Culture / 2015	



Tsaritsyno Park
Courtesy of Moscow Institute for Social and Cultural Programs



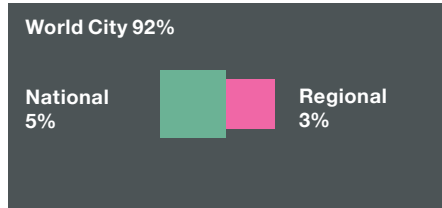
The High Line, New York City
Photo © Julienné Schaer. Courtesy of New York City Department of Cultural Affairs

New York City

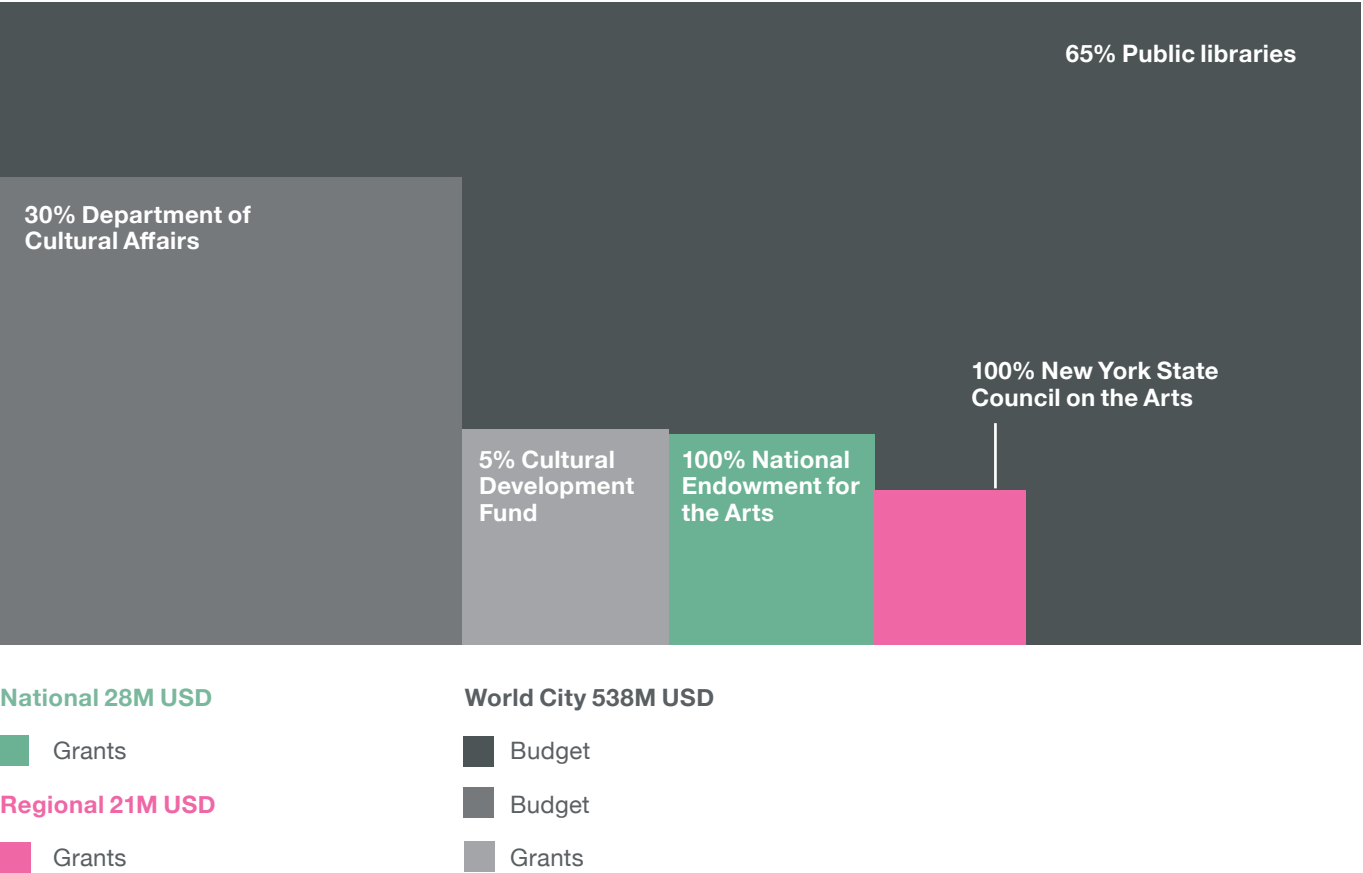
Funding for culture



Public direct funding - sources



Culture-dedicated public direct funding



Overview

Public funding system: Highly decentralised. National funding is dwarfed by city-level expenditure. National level more important in incentivising individual giving.

Percentage of national culture budget: 19%

Sector/institutional profile of direct public spend: Strong focus on libraries and support for a cohort of 33 organisations on city land but also major programme of investment in not-for-profits.

Overall cultural spending profile: Major philanthropic contributions – nearly three times direct public spend – leveraged by significant tax expenditures (16% of direct public spend).

Important non-culture public funders: Regular, relatively small contributions for culture programming from a range of departments. Strong focus on cultural tourism with separate funding from NYC + partners including reduced price admissions.



Duffy Square - Stair
Ariel Photo © David
LeShay. Courtesy
of New York City
Department of Cultural
Affairs

Culture-dedicated public direct funding

At the **national level**, the main source of culture funding is the National Endowment for the Arts (NEA), an independent government agency that provides grants and contracts to individuals, institutions at every administrative level, and non-profit organisations. In 2014-15, 19% of the NEA budget (28 million USD) went to New York City institutions and artists.

At the **regional level**, the New York State Council on the Arts is a state agency giving grants to non-profit arts organisations. In 2014 it gave 21 million USD in grants to New York City institutions.

At the **world city level**, in New York City the Department of Cultural Affairs (DCLA) is responsible for directing cultural policy and funding local arts organizations. Its budget was 159 million USD in 2014-15. It provides funding and capital support for over 900 non-profit cultural organizations each year, along with a range of other direct programming and technical assistance.

DCLA calls itself 'the largest local funder of art and culture' in the U.S., with an expense budget comparable to that of the National Endowment for the Arts. Its Cultural Institutions Group is made up of 33 cultural organisations – including the Metropolitan Museum of Art, Lincoln Center, the American Museum of Natural History, and Brooklyn Botanic Garden – which are based on city-owned land and receive some operational funding from the city. It also administers the Cultural Development Fund (CDF), through which the City grants programming support to arts and

cultural organisations. In 2012-13 it was allocated 27 million USD.

DCLA also has a large capital budget – over 200 million USD per year during the period 2013-2017 – but we have not included capital spending in the statistics for this report.

In 2014-15 the New York City public library system (covering Manhattan, Brooklyn and Queens) received 352 million USD from the city of New York.

Other public funders

In New York City a number of other City agencies provide funding for arts and culture programming. These include the Department for the Aging, Department of Corrections, Department of Probation, Department of Youth and Community Development, Mayor's Office of Media and Entertainment, New York City Council, New York City Housing Authority, New York State Council on the Humanities, NYC Department of Education and NYC Department of Transportation.

DCLA partners with these other city agencies to promote access to culture for all New Yorkers. For example, it works with the Mayor's Office of Immigrant Affairs to offer cultural benefits to those holding IDNYC cards (the new municipal identification card). It recently launched a Public Artists in Residence programme, with participation from the Administration for Children's Services, Mayor's Office of Immigrant Affairs, Mayor's Office of Veterans Affairs and New York City Housing Authority. This programme is funded both by the city and by philanthropic support.

Promotion of cultural tourism is an important goal for the city. NYC & Company is a private corporation which functions as the city's tourism and marketing organisation. Part-funded by the city and by 2000 member organisations, it had a total budget in 2015 of 36 million USD, of which 16.5 million USD was contributed by the city. It supported culture through promotions such as NYC Broadway and Off-Broadway Weeks.

Public indirect and private funding

Indirect funding is a popular model in the United States due to the freedom it gives to individuals to direct their contributions to organizations important to them, including cultural organizations. The federal government incentivises private charitable contributions by forgoing 33-35 cents in tax revenue for each dollar donated to a non-profit. Estimated public indirect funding was 95 million USD in 2014.

More donations are made to cultural institutions in New York State than any other American state. In 2014, New York City cultural institutions received 1.64 billion private funding - 971 million USD from individual donations, 441 million USD from foundations and 228 million USD from non-foundation corporates. Earned revenue was low relative to private funding: in 2014 it totalled 284 million USD. (This data includes only those organisations that submit their data to the DataArts).

Major foundations in the city include Bloomberg Philanthropies, the Andrew Mellon Foundation and the Ford Foundation.



New funding models

In 2015 the City of New York announced plans to build 1,500 units of affordable housing over the next ten years for members of the creative community. Alongside these will be 500 units of workspace. The project intends to ensure that artists are able to continue to live and work in the city.

Participatory Budgeting NYC allows city residents to participate in the allocation of discretionary capital funds through a year-long series of public meetings culminating in a public vote, organized by City Council districts. A number of cultural projects have been funded through this mechanism, including BRIC, Reel Works, and ArtBuilt.

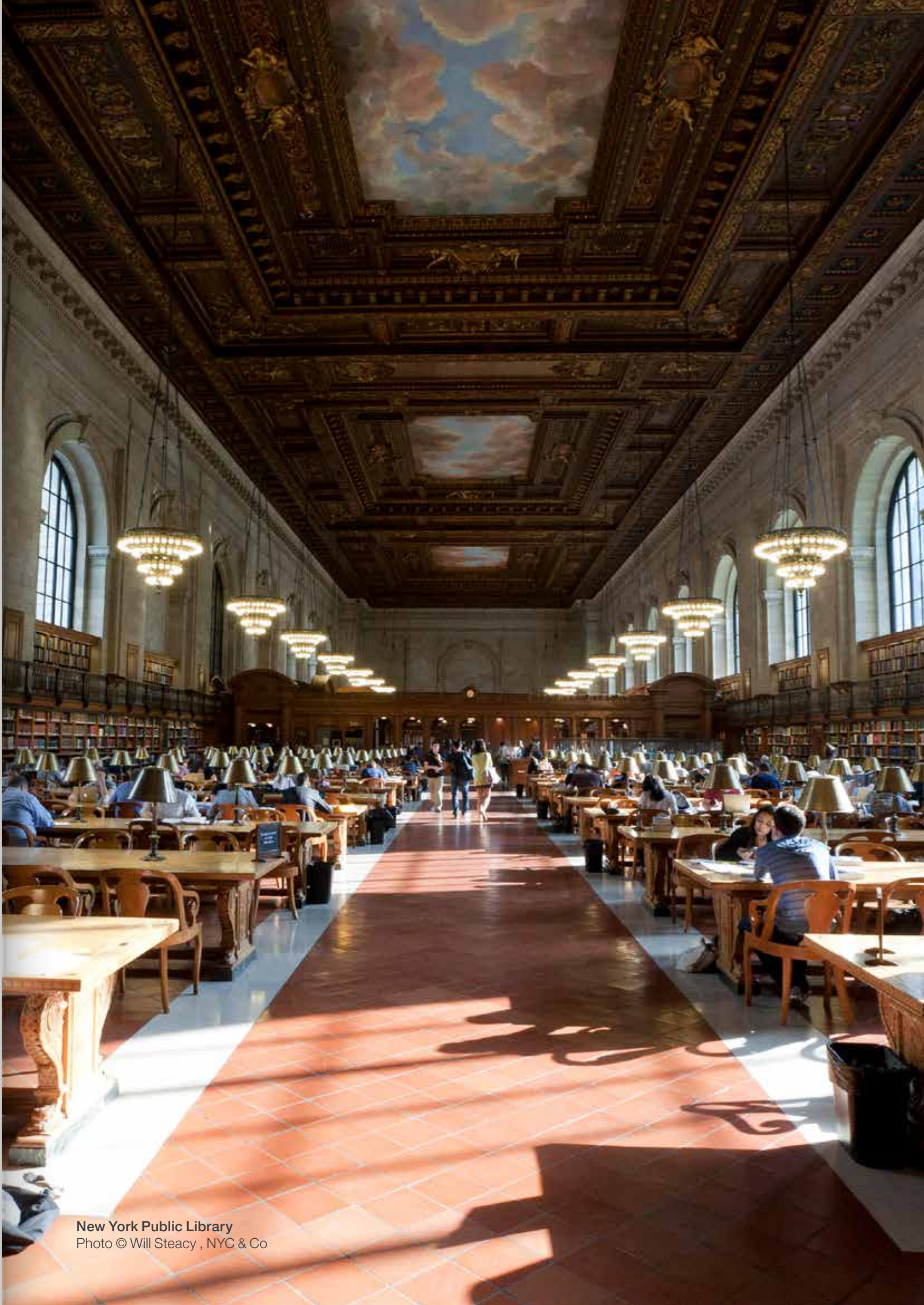
New York City has also made it a priority to increase cultural support for historically underserved communities. The Building Community Capacity (BCC) program, for one, has expanded to four

neighborhoods in Queens, East Brooklyn, the South Bronx, and Upper Manhattan. In each community, BCC establishes a steering committee guided by local organizations, providing a framework for organizations to collaborate, organize, share resources, and give art and culture a voice in community planning projects that are underway. Grants available to each committee will provide opportunities for public cultural programming that increases access for residents and helps forge new connections between cultural groups and the areas they serve.

Richard Alston Dance Company, Roughcut.
Photo © Chris Nash.
Courtesy of New York City Department of Cultural Affairs

Data Sources

Page	Data	Source / Year	Note
84	Percentage of national culture budget: 19%	National Endowment for the Arts / 2014-15	Percentage of NEA grants awarded to individuals and organisations in New York City.
85	NEA grants to New York: 28 million	National Endowment for the Arts / 2014-15	
85	New York State Council on the Arts grants to New York City institutions: 21 million	New York State Council on the Arts / 2014	
85	City of New York Department of Cultural Affairs culture budget: 159 million	New York City Department of Cultural Affairs / 2014-15	
85	Cultural Development Fund: 27 million	New York City Department of Cultural Affairs / 2012-13	
85	City of New York Department of Cultural Affairs capital budget per year: 200 million	New York City Department of Cultural Affairs / 2013-2017	
85	City of New York funding to New York City public library system: 352 million	The Council of the City of New York / 2014-15	
86	NYC & Company total budget: 36 million	NYC & Company / 2015	
86	New York City funding for NYC & Company: 16.5 million	NYC & Company / 2015	
86	Federal government tax incentives for private charitable contributions: 95 million	DataArts / BOP / 2014	Estimated based on 34 cents tax revenue forgone for each dollar of itemised individual donations, assuming 30% of the total private donations (971 million) were itemized for tax benefits.
86	Individual giving to New York City cultural institutions: 971 million	DataArts / 2014	Figures include only 1,231 organisations that submit Cultural Data Profiles to DataArts.
86	Foundations giving to New York City cultural institutions: 441 million	DataArts / 2014	Figures include only 1,231 organisations that submit Cultural Data Profiles to DataArts.
86	Corporate giving to New York City cultural institutions: 228 million	DataArts / 2014	Figures include only 1,231 organisations that submit Cultural Data Profiles to DataArts.
86	Earned revenue by cultural institutions: 284 million	DataArts/ 2014	

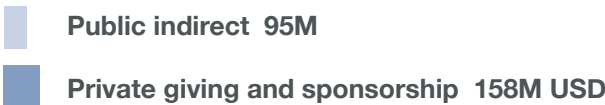
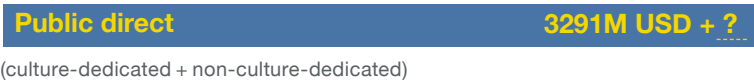


New York Public Library
Photo © Will Steacy , NYC & Co

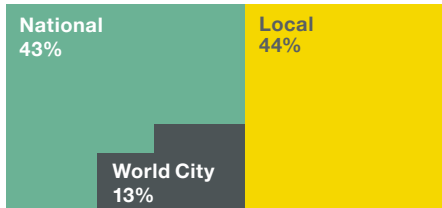


Paris

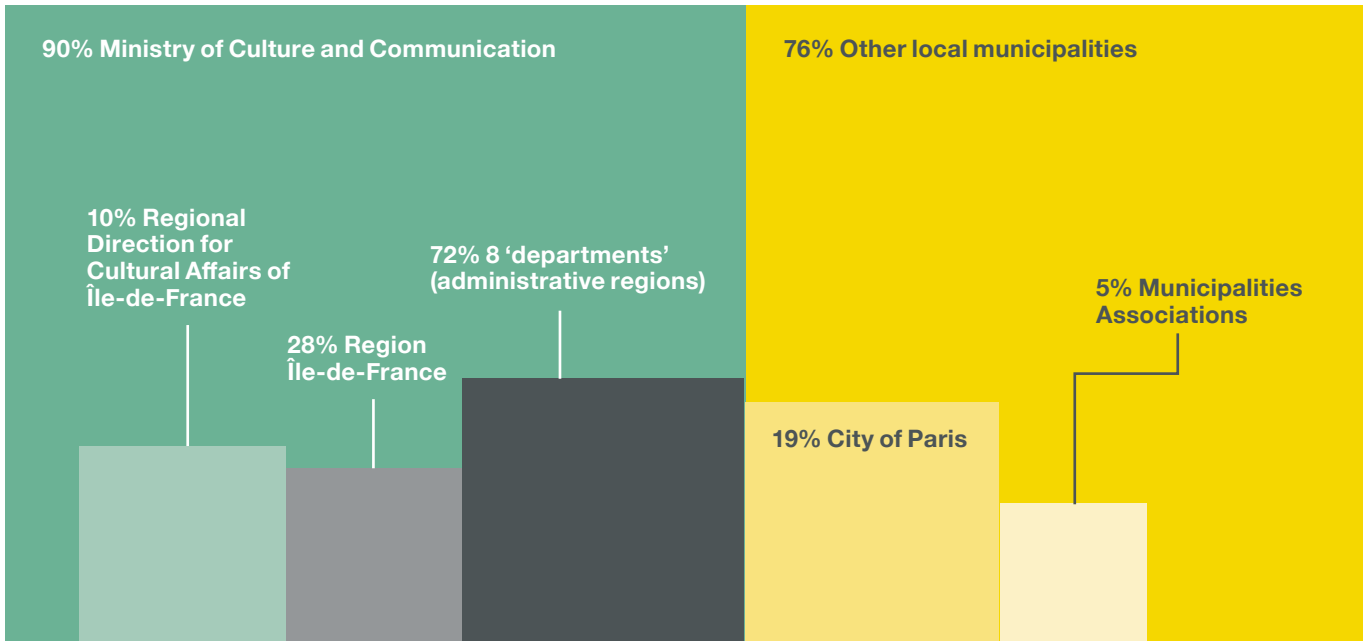
Funding for culture



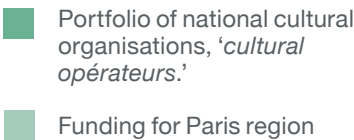
Public direct funding - sources



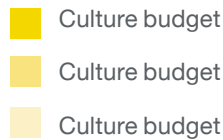
Culture-dedicated public direct funding



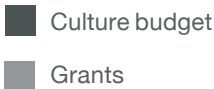
National 1418M USD



Local 1442M USD



World City 432M USD



Overview

Public funding system: Moderately centralised, with a major component provided by national government and a small amount of this spent at a regional/world city level. This is coupled with an extremely decentralised local government system, with some grouping themselves into larger associations, providing an amount of funding comparable to the national government. World city spending is significant in absolute terms but small in comparison.

Percentage of national culture budget: 33%

Sector/institutional profile of direct public spend: National spending dominated by a portfolio of national institutions. Municipality of Paris primarily supports portfolio organisations and city-run museums.

Overall cultural funding profile: Dominated by public funding, with some corporate philanthropy.

Important non-culture public funders: Large contribution from the national Ministry of Education and other education spending. Tax deductions for culture granted by the Ministry of Economy, Finance and Industry.

Culture-dedicated public direct funding

At the **national level**, the Ministry of Culture and Communication regularly funds a portfolio of national institutions, known as ‘*cultural opérateurs*,’ of which 75% are located in the Paris Île-de-France region. In 2012-13, 1.3 billion USD went to these Parisian institutions. The dominance of Paris in the national government’s cultural spending, and the consequent importance of national public funding to Parisian cultural life, are consistent features of the French system of cultural finance, although devolution has increased the role played by regional and local governments.

Three of the cultural opérateurs are funded through hypothecated tax. The National Centre for Cinema and the Moving Image is funded by taxes on television services, cinema tickets, and video-on-demand services (831 million USD in 2015). Similar tax mechanisms are used to finance the National Book Center (48 million USD in 2013) and the National Center for Popular Music and Jazz (32 million USD in 2013). ^{1/}

In practice, many cultural projects are financed by multiple levels of government simultaneously. For example, the Philharmonie de Paris project was financed 45% by the national government, 45% by the City of Paris, and 10% by the Île-de-France region. This type of partnership is facilitated by the CPER (Contrat de plan État-région) tool, under which the national government contracts with regions to create multi-year plans for investment.

DRAC-IDF (Regional Direction for Cultural Affairs of Île-de-France) is a devolved authority of the Ministry of Culture operating within the Paris Île-de-France region. DRAC-IDF’s responsibilities centre around the development of cultural infrastructure, the creative industries and heritage.

It plays a consultative role with local governments. It had a budget of 132 million USD in 2015.

Recently, the government has explored new funding mechanisms, creating foundations and endowment funds inspired by American approaches to the financing of culture.

At the **world city level**, the Île-de-France region had a culture budget of 120 million USD in 2015, financed by the national government. (In France culture is not primarily financed or managed at a regional level.) In 2014-15 more than half of its budget went to grants for the arts (particularly film) and regularly funded festivals. It also provides regular funding to ‘associated organisms,’ cultural organisations which are otherwise autonomous.

Within the Île-de-France region (one of 18 regions in France) there are 8 departments. ^{2/} In 2015 the cultural budget for these departments combined was 312 million USD. (This is the budget for departments as departments, separate from the spending of the City of Paris, discussed below.)

At the **local level**, municipalities play an important role in financing culture. They are responsible for 73% of total local government spending on culture and focus on heritage, libraries, museums, cultural events and arts education. Most are very small, with 1,281 municipalities in the Paris Île-de-France region alone. In 2015, the estimated budget for all municipalities in the region, excluding the City of Paris budget, was 1.1 billion USD. Some municipalities group themselves into larger municipal associations with combined budgets: for example Grand Paris Seine Ouest pools its spending on cultural infrastructure. These Paris Île-de-France municipal associations spent 79 million on cultural projects in 2014-15.

^{1/} Please note that these figures are included in the total 1.285 billion USD for Ministry of Culture funding of Paris institutions.

^{2/} These are Paris, Essonne, Hauts-de-Seine, Seine-Saint-Denis, Seine-et-Marne, Val-de-Marne, Val-d’Oise and Yvelines.

The City of Paris is unusually large, being coterminous with the department of Paris, with 2.2 million residents (as opposed to 12 million for the Île-de-France). It has a large culture budget: in 2014-15 it spent 129 million USD on ‘*actions culturelles*,’ mostly grants to portfolio institutions. It spent another 76 million USD funding city-run museums. The rest of its culture funding totalled 43 million USD and financed cultural centres (Centquatre, Maison des métallos, Gaîté lyrique) and events such as Nuit Blanche. The City of Paris is also responsible for leading on important policies, such as the principle of free access to city run museums’ permanent collections.

Other public funders

On both a national and regional level, there is considerable spending on culture by ministries other than the Ministry of Culture and Communication. For example, in 2013-14 the national Ministry of Education was responsible for 2 billion USD of culture spending across France as a whole. Similarly, on a regional level, budgets for education also fund cultural programmes and activities.

The “1% for Arts” programme – in place since 1951 for the Ministry of Education, and since 1980 for most other Ministries – funds the creation of artwork for public buildings through the allocation of 1% of the cost of their construction or renovation. It is now applicable to local governments as well.

The *intermittents du spectacle* gives workers in the arts who are employed on fixed-term contracts special access to unemployment insurance.

Public indirect and private funding

Tax deductions, known as *niches fiscales*, are available mainly for public broadcasters, the press and the performing arts. These totalled 1.8 billion USD nationally in 2013-14 and were granted by the Ministry of Economy, Finance and Industry. We are not able to break down this figure further within this report.

Private foundations in Paris which support culture include Admical, a membership network for corporate philanthropy, and Fondation Cartier (which had a budget of 7.9 million USD in 2014-15). In 2015, an estimated 208 million USD in corporate sponsorship went to the arts and culture in in Paris Île-de-France region.

In 2003 a national law, Le Mécénat, was passed which created a legal framework for corporate philanthropy. Companies engaging in cultural philanthropy are entitled to make a deduction from their corporation tax equivalent to 60% of the value of the donation. Estimated public indirect funding to Paris was 95 million USD in 2015.

New funding models

In 2012, the Centre for National Monuments piloted the use of a French crowdfunding platform, My Major Company, to raise money for the conservation of heritage sites including the Panthéon and Mont St.-Michel. The Louvre has also used crowdfunding to raise money for art acquisitions, such as a sculpture commissioned by the Marquise de Pompadour.



Barocco, TPO Theatre Company
Photo courtesy of TPO

Data Sources

Currency conversion: 1 € ⇄ \$ 1.32
2015 average

Page	Data	Source / Year	Note
92	Percentage of national culture budget: 33%	IAU Île-de-France / BOP / 2015	Percentage of Ministry of Culture and Communications funding (culture, book and publishing, and cultural industries budget only: €3193.5) allocated to Paris Île-de-France region.
93	Funding for Paris cultural opérateurs: 1.3 billion	Ministry of Culture and Communication / IAU Île-de-France / 2015	
93	National Centre for Cinema and the Moving Image: 831 million	Ministère de L'Économie et des Finances / 2015	« Effort financier de l'État dans le domaine de la culture et de la communication », 2015
93	National Book Center: 48 million	Ministère de L'Économie et des Finances / 2013	« Effort financier de l'État dans le domaine de la culture et de la communication », 2015
93	National Center for Popular Music and Jazz: 32 million	Ministère de L'Économie et des Finances / 2013	« Effort financier de l'État dans le domaine de la culture et de la communication », 2015
93	DRAC-IDF: 132 million	Ministry of Culture and Communication / IAU Île-de-France / 2015	
93	Île-de-France culture budget: 120 million	Région Ile-de-France / 2015	
93	Île-de-France 8 departments cultural budget: 312 million	Ministry of Culture and Communication / IAU Île-de-France / 2015	Estimated IAU based on information from Ministry of Culture and Communication and « rapport des finances des collectivités locales en 2015 », DCGL 2015 staffing criteria. Assume the share of local authorities in the cultural budget of France is identical to their share in the overall budget of France.
93	Municipalities total culture budget: 1.1 billion	Ministry of Culture and Communication / IAU Île-de-France / 2015	Estimated IAU based on information from Ministry of Culture and Communication and « rapport des finances des collectivités locales en 2015 », DCGL 2015 staffing criteria (8 December, 2016). Exclude Ville de Paris budget. Only municipalities with more than 10 000 inhabitants. Assume the share of local authorities in the cultural budget of France is identical to their share in the overall budget of France.
93	Paris Île-de-France municipal associations: 79 million	Ministry of Culture and Communication / IAU Île-de-France / 2015	Estimated IAU based on information from Ministry of Culture and Communication and « rapport des finances des collectivités locales en 2015 », DCGL 2015 staffing criteria. Assume the share of local authorities in the cultural budget of France is identical to their share in the overall budget of France.
94	Municipality of Paris 'actions culturelles' - 129 million; city-run museums – 76 million; other culture funding – 43 million	Ville de Paris	
94	Ministry of Education national culture spending: 2 billion USD	IAU Île-de-France / 2016	National figure
94	Ministry of Economy, Finance and Industry tax deductions: 1.8 billion	IAU Île-de-France / 2016	National figure
94	Corporate sponsorships: 208 million	Baromètre Admical / BOP / 2014	According to Baromètre Admical/CSA - Le mécénat d'entreprise en France – 2016, national corporate sponsorships for culture was €525million in 2015. Paris figure proportionated by the size of economy (GDP) of Paris (30% of France)
94	Le Mécénat tax deductions: 95 million	Baromètre Admical / BOP / 2014	Estimated by 60% of corporate sponsorships (208 million) forgone as tax revenue (Mécénat Law)



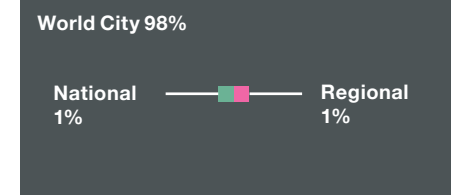
Rock En Seine Festival.
Photo © William Alix / PhotoSynthese.
Courtesy of Paris Île-de-France

San Francisco

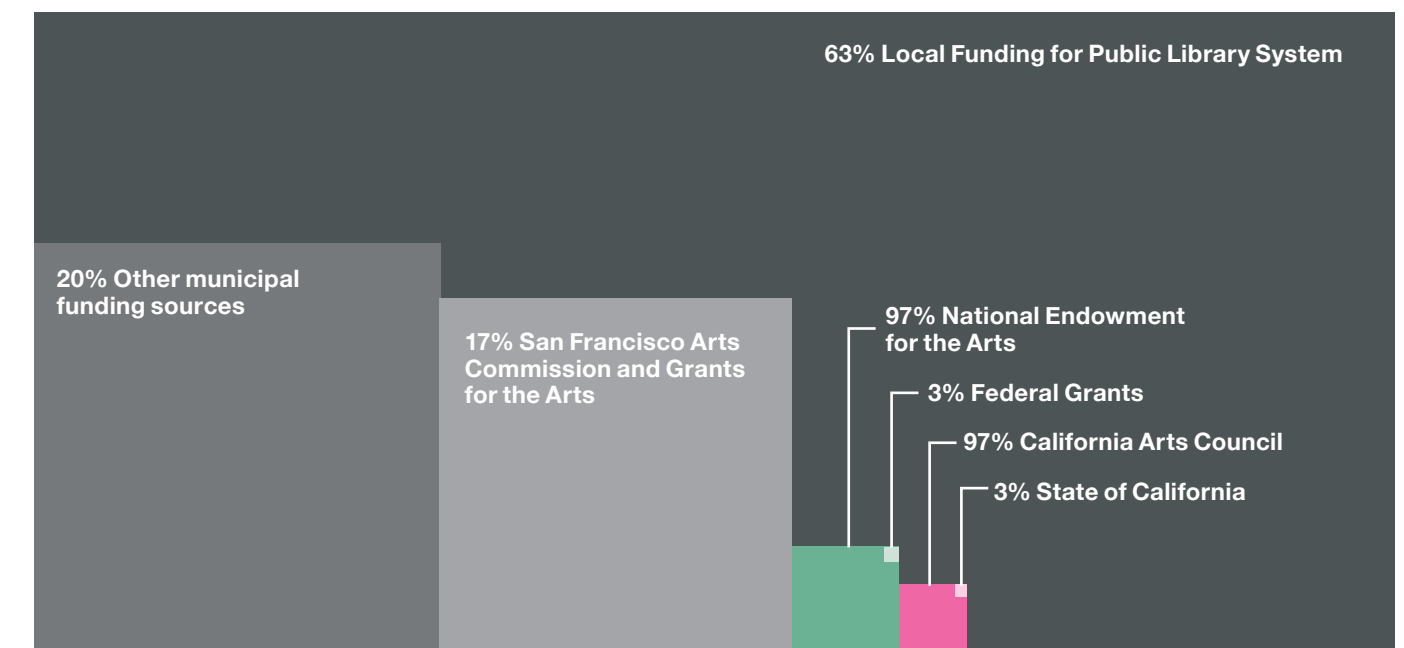
Funding for culture



Public direct funding Sources



Culture-dedicated public direct funding



World City 185M USD

- Local funding for public library system in the form of revenue budget
- Cultural assets funding
- Grants

National 2.5M USD

- Grants to non-governmental organisations
- Public libraries

Regional 1.7M USD

- Open grants
- Public libraries

Overview

Public funding system: Extremely decentralised, with the vast majority of spending at the world city level. San Francisco is the only consolidated city and county in the state of California, exercising governmental powers of both a city and a county under California law.

Percentage of national culture budget: 1%

Sector/institutional profile of direct public spend: Dominated by support for the public library system. Also funding for three city-owned museums, public art and grant programs to support arts organizations and individual artists.

Overall cultural spending profile: As with other cities in the United States, dominated by private giving (mainly individual) and earned revenue.

Important non-culture public funders: These include the Office of Economic and Workforce Development; Recreation and Park Department; and Department of Children, Youth, and their Families.

Culture-dedicated public direct funding

At the **national level**, the largest single funder for culture is the National Endowment for the Arts (NEA), an independent federal agency providing grants and contracts to individuals, state, local and non-profit organisations. In 2015-16, the NEA awarded 2.4 million USD (1% of total NEA grants) in San Francisco.

Other national bodies funding the arts include the National Endowment for the Humanities, Smithsonian Institutions, Corporation for Public Broadcasting, and Kennedy Center for the Performing Arts. National grants funding for San Francisco public libraries was 80,000 USD in 2014.

At the **regional level**, the California Arts Council gives grants to local government, non-profit organisations and individuals. A state agency, it is also funded by donations and the NEA. In 2003 its budget was cut by 94%; in 2014 state funding was increased for the first time in ten years. Funding was increased again in 2016. Current priorities for the Council include arts education, revitalizing underserved communities, and supporting community development through local arts agencies such as the San Francisco Arts Commission. It granted just under 1.7 million USD to culture in San Francisco in 2015-6.

The state of California also contributed 53,000 USD to the San Francisco public library system in 2014.

Other state institutions support cultural activities but this spending is not counted in the report due to difficulty in identifying culture- and/or city-related spending.

At the **world city level**, the two main municipal agencies providing direct funding to artists and arts organisations are the San Francisco Arts Commission and Grants for the Arts, a division of the Office of the City Administrator. The Arts Commission provides oversight of four city-owned cultural centres and a municipal gallery, administers the “2% for Public Art Ordinance”, manages the City’s Civic Art Collection and licenses street artists and craftspeople.

Both agencies receive an absolute majority of their funding from the City and County of San Francisco’s General Fund, with ‘pass-through’ grants from the NEA and California Arts Council, as well as some support from private partnerships. In 2015-16, their total budget was 32 million USD, 0.4% of the total city budget. Together they provide about 18 million USD in direct grants.

The City also provides direct funding to three museums and as-needed funding to a number of cultural assets, such as the San Francisco War Memorial and Performing Arts Center, and Yerba Buena Center for the Arts. In 2015-16, this funding totalled 36 million USD.

The San Francisco library system is actually the largest beneficiary of public funding, having received 117 million USD from the City and County of San Francisco budget in 2015-2016.

Other public funders

Other agencies making contributions to culture include the Office of Economic and Workforce Development and the Recreation and Park Department, which funds cultural activities and programmes on their premises throughout the city. The Department of Children, Youth, and their Families provides grants for arts education and activities benefiting youth and children. Culture funding from these agencies, plus the War Memorial Fund, totalled 27 million USD.

Public indirect and private funding

Philanthropy coupled with tax incentives is a popular model in the United States due to the freedom that it gives to individuals to direct their contributions to institutions of their choice. The federal government incentivises private charitable contributions by forgoing 33-35 cents in tax revenue for each dollar donated to a non-profit. The estimated value of this incentive to San Francisco was 25 million USD in 2014.

The San Francisco Bay Area has one of the most robust private philanthropy sectors in the United States. A 2005 Foundation Center study found that 7% of the U.S. foundation arts grants over \$10,000 were made to arts non-profits in the San Francisco Bay Area.

In 2014, total giving to culture in San Francisco was 383 million USD, of which 65% was from individual donations, 28% from private foundations and trusts, and 7% from non-corporate philanthropic endeavours. The majority of funding for culture in San Francisco – 509 million USD in 2014 – comes from earned revenue by city cultural institutions, including sales of tickets and merchandise. 1/

1/

The figures in this paragraph include only those organisations that submit Cultural Data Profiles to DataArts, so in actuality more is spent on arts and culture than these figures indicate.



New funding models

San Francisco has experimented with many new alternative funding models. It has attempted to cope with artist displacement – resulting from a highly competitive real estate market – through initiatives such as the Community Arts Stabilization Trust (CAST), a non-profit organisation that brings together public and private funds to purchase assets for arts and cultural organisations and facilitates the navigation of complex real estate issues.

Other initiatives include the Arts Loan Fund, a short-term loan provided by a coalition of private and public arts funders in the city to arts organizations, and

Community Benefits provided through Developer's Agreements, a case-by-case agreement between the city and a private real estate developer on a package of funds to benefit social work and/or the arts sector.

Every Day Every Way: Youth Arts Programming 2016
Photo courtesy of San Francisco Arts Commission

Data Sources

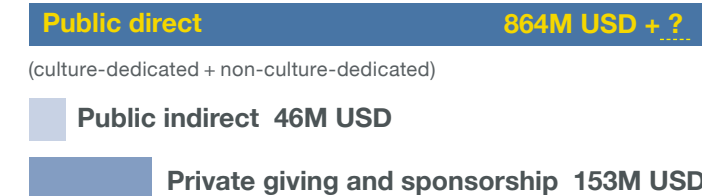
Page	Data	Source / Year	Note
100	Percentage of national culture budget: 1%	National Endowments for the Arts / 2015-16	Percentage of NEA grants awarded to organisations and individuals in San Francisco
101	NEA grants to San Francisco: 2.4 million	National Endowment for the Arts / 2015-16	
101	Federal grants funding for San Francisco public libraries: 80,000	Institute of Museum and Library Services / 2013 -14	
101	California Arts Council arts funding to San Francisco: 1.7 million	National Endowments for the Arts / 2015-16	Includes funding for the local government, non-profit organizations, and artists in the city from the California Arts Council
101	State of California funding to the San Francisco public library system: 53,000	Institute of Museum and Library Services / 2013 -14	No updated data
101	San Francisco Arts Commission and Grants for the Arts total budget: 32 million	City and County of San Francisco Budget and Appropriation Ordinance / 2015-16	Figure includes full budget of the two local arts agencies.
101	San Francisco Arts Commission and Grants for the Arts direct grants: 18 million	City and County of San Francisco Budget and Appropriation Ordinance / 2015-16	
101	City of San Francisco direct funding to three museums and as-needed funding to a number of cultural assets, such as the War Memorial and Performing Arts Centres, and Yerba Buena Centre for the Arts: 36 million	City and County of San Francisco Budget and Appropriation Ordinance / 2015-16	Figure includes funding for 3 city funded museums and some other cultural assets in the City of San Francisco
101	City and County of San Francisco funding to San Francisco library system: 117 million	Institute of Museum and Library Services / 2015 -16	
102	Culture funding from non-cultural local San Francisco public institutions: 27 million	City and County of San Francisco 2014 Policy Analysis Report issued by Board of Supervisors and Official Budget of San Francisco Airport / 2013-14	Includes, San Francisco Airport's funding for SFO Museum, funding for arts and culture from the Department of Children, Youth and Their Families, the Office of Economic and Workforce Development, the Recreation and Parks Departments, the War Memorial Fund, and other departments. Incomplete data - includes only identifiable funding for the arts by other city/county government agencies.
102	Federal government tax incentives for private charitable contributions: 25 million	DataArts / BOP/ 2014	Estimated based on 34 cents tax revenue forgone for each dollar of itemised individual donations, assuming 30% of the total individual donations (201 million) were itemised for tax benefits.
102	Private giving to San Francisco cultural institutions: 383 million	DataArts / BOP/ 2014	Figures include only those organisations that submit Cultural Data Profiles to DataArts.
102	Earned revenue by city cultural institutions: 509 million	DataArts / BOP/ 2014	Figures include only those organisations that submit Cultural Data Profiles to DataArts.



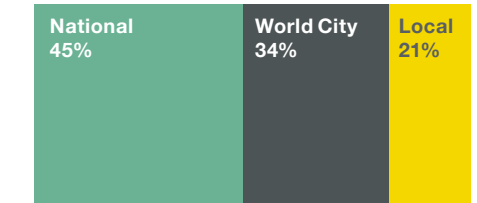
Exhibition: *Bring It Home: (Re)Locating Cultural Legacy Through the Body*, January 22 - May 7, 2016. Zeina Barakeh (b. 1972, Beirut, Lebanon), *Homeland Insecurity*, 2015. Single-channel animated video, sound. Photo by Phillip Maisel, courtesy of the San Francisco Arts Commission Galleries.

Seoul

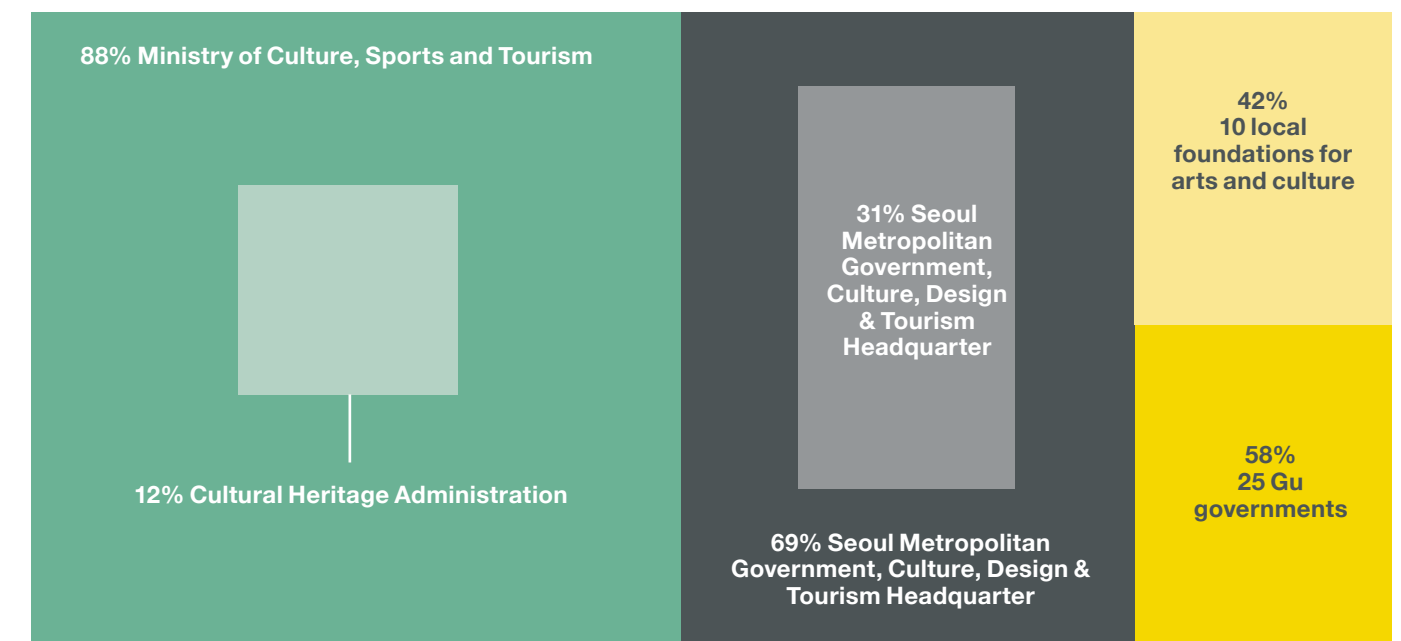
Funding for culture



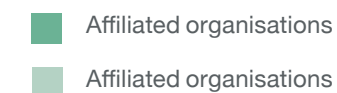
Public direct funding - sources



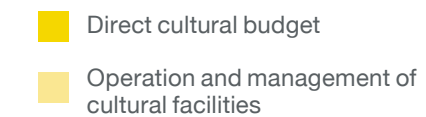
Culture-dedicated public direct funding



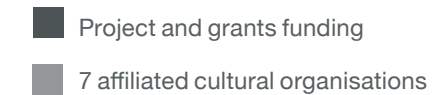
National 391M USD



Local 179M USD



World City 294M USD



Overview

Public funding system: Moderately decentralised, with slightly less than half of spending at national level. Significant role for local authorities and local arms-length foundations. National government provides tax deductions but take-up has not been significant.

Percentage of national culture budget: 18%

Sector/institutional profile of direct public spend: National spend heavily dominated by national museums, theatres and performing arts companies. One third of city funding goes to seven organisations, the remainder to grant-funded projects. Local governments manage cultural facilities, often via arms-length foundations.

Overall cultural funding profile: Private philanthropy significant, dominated by corporations rather than individuals. Earned revenue statistics are not available.

Important non-culture public funders: Some national, city and local spending from education budgets. Small investment by Economic Planning Headquarters in creative industries.



Seoul Dance Project,
Seoul Dance Festival
Photo © Jordan Matter
Photography. Courtesy
of Seoul Foundation for
Arts and Culture

Culture-dedicated public direct funding

At the national level, the Ministry of Culture, Sports and Tourism (MCST) funds Seoul-based 'affiliated organisations,' including national museums, national theatres, and national arts companies such as the Korea Symphony Orchestra and the Korean National Ballet. Of the 47 organisations in Korea which receive funding from MCST, 39 are located in Seoul, but 17 are national organisations. In this report we have considered only the 22 organisations whose focus is primarily on Seoul. In 2014-15 MCST spent 345 million USD on these organisations, representing nearly half of all public funding devoted to culture in Seoul. Funding for these organisations represented 20% of the total culture budget of MCST.

The Cultural Heritage Administration also funds four affiliated cultural or heritage organisations in Seoul, including the National Palace Museum of Korea and the Royal Tombs of the Joseon Dynasty. This spending represents 12% of the national cultural funding devoted to Seoul, 46 million USD.

At the world city level, the Seoul Metropolitan Government (SMG) also invests significant sums in Seoul's cultural sector. In 2015 its culture budget (excluding tourism, sport and the creative industries) was 293 million USD, representing about 1.3% of the city's total budget. Responsibility for culture on a city level lies with the Culture, Design and Tourism Headquarters of SMG, which funds seven affiliated or arms-length

organisations. ^{1/} About one third of the city's cultural budget, 92 million USD, goes to these seven organisations. The remainder of SMG's budget is spent on various cultural initiatives which are either carried out by SMG itself, contracted to its affiliated organisations, or subsidised to other cultural organisations to deliver.

At the local level, each of the 25 autonomous 'Gu governments' in Seoul has a cultural division, with a total cultural budget of 105 million USD in 2014-15. Ten Gu governments have also set up local arms-length foundations for arts and culture to operate and manage cultural facilities on their behalf. The foundations' combined budgets was 75 million USD, accounting for around 40% of the total cultural budget at the local level. Though they are also expected to earn money, most of their funding comes from the Gu governments. The number of foundations has increased dramatically since 2000 and they are now the preferred model for the management of cultural facilities by Gu governments.

^{1/} These are the Seoul Museum of History, Seoul Museum of Art, Sejong Center for Performing Arts, Seoul Philharmonic Orchestra, Seoul Design Foundation, Seoul Metropolitan Library and the Seoul Foundation for Arts and Culture.

Other public funders

Various public bodies at the national level also fund culture-related projects. For example, the Korea Foundation exists to promote international understanding between Korea and other countries, and supports a number of cultural activities to achieve this mission. The Korean Ministry of Education, the Seoul Culture Headquarter and the local ministries of education co-fund the “Teaching Artists dispatch program” to provide arts education to school-age citizens.

At the world city level, the Economic Planning Headquarters funds the Seoul Business Agency to implement programmes for key organisations within the city’s creative industries: the Seoul Animation Center, Digital Media City and Seoul Game Contents Center. However, this expenditure is relatively small, less than 0.1% of the Seoul Metropolitan Government’s main culture budget. This spending is not counted in the report due to difficulty identifying culture- and/or city-related spend. We estimate that these public funding streams are relatively small compared to the public direct funding identified above.

Public indirect and private funding

National tax exemptions are available to museums and galleries, local cultural centres and approved arts and cultural groups. Cultural organisations that are social enterprises can also benefit from the Social Enterprise Promotion Act, which grants tax reductions or exemptions to social enterprises for the first five years of their operation. It has not been possible to quantify these tax expenditures within the report.

Tax deductions are available to corporations on their cultural entertainment expenses in addition to their overall entertainment expenses. Corporations also benefit from tax deductions when they purchase artworks.

According to the “2014 Support Status Survey” by the Korea Mecenat Association, 168 million USD was raised from the top 500 Korean companies and their cultural foundations. Over 90% of these companies are headquartered in Seoul, and over 60% of cultural organisations in Korea are based in the capital, demonstrating the importance of the tax breaks derived from these donations to the cultural sector in Seoul. Giving from corporates and their cultural foundations is estimated to be 151 million USD.

Donations made by individuals and corporations to arts and culture organisations via the national Arts Council Korea receive a higher rate of tax deduction than general charitable donations (100% tax deductible to individuals and 50% tax deductible to corporations). Despite the existence of this mechanism which was created to incentivise cultural philanthropy, individual giving to the arts and culture remains relatively low, representing only 0.2% of total individual donations. Business funding of culture is more significant than individual philanthropy, representing 5% of total corporate donations at the national level. It is estimated that private giving to arts and culture to Seoul by individuals totalled 2 million USD in 2014.

Estimated public indirect funding from individual, corporate and their cultural foundations’ donations was 46 million USD.



New funding models

Organisations in Seoul have experimented with new match-funding and crowdfunding projects. For example, Arts Council Korea collaborate with Tumbbug, an arts and culture crowdfunding site. The Seoul Foundation for Arts & Culture (SFAC) also launched an arts donation platform in 2014 called “Art Seoul Glve Together.” Through the “Small Glve” project it commits to match fund crowdfunding campaigns that meet their targets.

Faced with overall cuts to public sector culture budgets, Seoul has actively engaged with the private sector to promote public-private partnerships. For instance, SFAC has launched an

initiative with the Mecenat Association to incentivise corporate funding of culture. In this initiative arts organisations are partnered with companies and donations made by companies are match funded by SFAC.

Dongdaemun Design Plaza Photo Courtesy of Seoul Foundation for Arts and Culture

Data Sources

Currency conversion: 2015 average 1 ₩ ⇄ \$ 0.00095 USD

Page	Data	Source / Year	Note
108	Percentage of national culture budget: 18%	Ministry of Culture, Sports and Tourism / 2014	Percentage of MCST Department of Culture, Arts and Content budget (1845 billion WON) allocated to Seoul (363 billion WON)
109	MCST funding for affiliated organisations: 345 million	Ministry of Culture, Sports and Tourism / 2014	Figures only concerns 22 organisations based in Seoul whose focus is primarily on Seoul
109	Cultural Heritage Administration funding: 46 million	Cultural Heritage Administration / 2014	Figures only concerns 4 organisations based in Seoul whose focus is primarily on Seoul
109	Seoul Metropolitan Government (SMG) culture budget: 293 million	Seoul Metropolitan Government / 2015	This figure excludes budget for tourism, sport and the creative industries
109	Seoul Metropolitan Government culture budget: 1.3% of the city's total budget	Seoul Metropolitan Government / 2015	SMG's culture budget as a percentage of its total budget (24,413 billion WON)
109	SMG funding for 7 affiliated organisations: 92 million	Seoul Metropolitan Government / 2015	
109	Gu governments culture budget: 105 million	Seoul Foundation for Arts and Culture / 2015	
109	Local foundations for arts and culture budget: 75 million	Seoul Foundation for Arts and Culture / 2015	
110	Seoul Business Agency: 0.1% of city's budget	Seoul Foundation for Arts and Culture / 2015	
110	Corporate and their cultural foundations' giving to arts and culture: 151 million	Korea Mecenat Association / BOP / 2014	Estimated based on "2014 Support Status Survey", proportioned by the size of economy of Seoul (90% of national GDP)
111	Individual giving to arts and culture: 2 million	National Tax Statistics / Beautiful Foundation / BOP / 2014	Estimated by percentage of national charitable giving (1,211 billion WON, National Tax Statistics) to arts and culture in 2014 (0.2%, Beautiful Foundation), proportionated by the size of economy of Seoul (90% of national GDP)
111	Public indirect funding: 46 million	National Tax Statistics / Beautiful Foundation / BOP / 2014	Estimated by the amount of tax revenue forgone due to tax deductions from private giving and corporate sponsorships to arts and culture in Seoul. Estimate based on Seoul's tax rate on median income (17%, PwC worldwide tax summaries) Estimate based on highest band of corporate income tax rate (22%, PwC worldwide tax summaries), given most of corporate funding came from large companies.



Hongseun Art Creativity Center.
Photo courtesy of Seoul Foundation for Arts and Culture

Shanghai

Funding for culture

Public direct 707M USD + ?

(culture-dedicated + non-culture-dedicated)

Public indirect

Private giving and sponsorship

Public direct funding - sources

World City
43%

Local
57%

Culture-dedicated public direct funding

51% Government-owned and arms-length organisations

29% Culture Development Promotion Fund

4% Nine culture and creative funds

16% Cultural and Creative Industry Promotion Fund

100%
16 local districts

World City 305M USD

Local 402M USD

Operational and project funding

Local cultural facilities, cultural activities and strategic funds

Grants

Grants

Grants

Overview

Public funding system: Exceptionally decentralised – as a wealthy city Shanghai receives no transfer payments or ‘public culture’ funding from national government. Spending balanced between world city and local government.

Percentage of national culture budget:

Not identified – but very small

Sector/institutional profile of direct public spend:

Primarily core and project funding for state-managed institutions, though there is also a focus on the creative industries. Strategic funds offer some grants to private cultural institutions. Local government required to fund ‘public culture’ institutions, including libraries, culture centres and museums.

Overall cultural spending profile: Private funding is not common in China; the concept of ‘public culture’ implies institutions that are fully state-supported. However businesses are starting to invest in culture.

Important non-culture public funders:

Government departments provide loan guarantee provisions, investment funds, and tax exemptions.



Shanghai Citizen Art Festival 2014. Photo © Zhenliang Ye. Courtesy of Shanghai Theatre Academy.

Culture-dedicated public direct funding

Shanghai's wealth means that it does not attract national funding for ‘public culture,’ meaning the standard free-to-use cultural facilities that all Chinese cities are required to maintain. In this Shanghai is typical of first-tier Chinese cities, due to China's particularly decentralised funding regime.

However, Shanghai does receive funding via national strategic funds created to achieve specific policy objectives. In 2015, for example, 25 companies and projects were subsidised by the Strategic Funds for Cultural Industry, managed by the Ministry of Finance. Statistics for this strategic funding are not available.

At the **world city level**, Shanghai is a directly-controlled municipality, meaning that there are no regional intermediaries between it and the national government. Culture-dedicated spending by the city government was 0.3% of its budget in 2016, slightly lower than the national average of 0.38%. Culture spending is mainly managed by two government departments and one party committee department, discussed below.

The Shanghai Municipal Administration of Culture, Radio, Film and TV had a budget of 116 million USD in 2015-16. It funds and manages 24 cultural institutions, including the Shanghai Museum and Shanghai Symphony Orchestra, and also provides project-based funding for these organisations. It supports the Shanghai International Arts Festival and Shanghai Citizen Festival. Total funding for these organisations equals 90% of the Administration's culture budget.

The Municipal Administration also manages strategic funds which reflect

the national goal of creating a more ‘market-oriented’ cultural sector. They allow targeted support for particular sectors and a more flexible approach to funding, including grants to non-state institutions. In 2016 there were nine culture funds with a total value of 12 million USD. Some focus on the creative industries or specifically support private institutions.

The Publicity Department of the Shanghai Municipal Committee of the Communist Party of China plays an important role in culture funding. It has 25 affiliated public institutions, of which 22 are cultural organisations. The budget for these 22 cultural organisations was 24 million USD in 2016. It also manages the Culture Development Promotion fund, a strategic fund set up by the municipality of Shanghai. In 2015 the fund gave 90 million USD to cultural projects in the city. This is 33% of the city's total culture budget.

The Municipal Committee of the CPC has a significant focus on the creative industries. The Office of Shanghai Cultural and Creative Industry Promotion and Leading Group, under the direction of the Municipal Committee, is responsible for planning, policymaking and coordination. It is also in charge of a strategic fund, the Shanghai Cultural and Creative Industry Promotion Fund. In 2015 this fund gave 47 million USD in grants. The Municipal Committee manages an arms-length organisation, the Shanghai Federation of Literary and Art Circles, which runs educational programs and culture exchanges, develops talent, and commissions academic research. It also funds 12 associated alliances and 5 affiliated organisations. In 2016 its budget was 19 million USD.

The Shanghai Municipal Press and Publication Bureau, a governmental department which regulates and makes policy for the press and publishing industry, has a total budget of 9 million USD.

At the **local level**, Shanghai's 15 districts are responsible for funding cultural activities and local 'public culture' institutions, including libraries, culture centres and museums. Beyond this standard provision, they may set up additional funds for culture, such as Fengxian's 'Xian culture' grants. Their combined culture budgets for 2016 totalled 402 million USD, 57% of Shanghai's public investment in culture.

Other public funders

In Shanghai there is further significant funding for the creative industries administered by the Municipal Economic and Information Commission, Municipal Development and Reform Commission, and the Science and Technology Commission. These funds often benefit culture: for example, the Service Sector Development Directional Fund, administered by the Development and Reform Commission, granted 7 million USD to cultural projects. However, due to difficulties separating out cultural spend, we have not included these funds in our statistics.

Indirect funding and private funding

Some government departments and agencies provide indirect cultural funding, including loan guarantee provisions, setting up investment funds, tax exemptions and lower utility charges. However we were unable to obtain statistics for this indirect funding.

Individual donations to arts and culture organisations are minimal in China. The concept of fundraising is still relatively new to Chinese cultural organisations. Public organisations are not allowed to charge any fees to the public, which means their income comes almost entirely from public funding.

Currently Shanghai has nearly 60 non-state-owned museums and galleries. Shanghai businesses are increasingly using culture as part of their offer, to increase their profile, footfall and attractiveness. Property developers and hotel groups are developing private museums and galleries within commercial buildings: for example Yuz Musuem, with a total area of 9000 square metres, owned by an Indonesian collector of Chinese contemporary art. A large art space in K11, a luxury shopping centre, has held extremely popular exhibitions of Monet and Picasso.



New funding models

The Shanghai government is encouraging the development of new public-private partnerships. The Shanghai Culture Industrial Investment Fund, established by Haiting Securities and several leading media groups, was the first to receive approval from the China Securities Regulatory Commission. It invests both in the traditional cultural sector and in tourism, design and the leisure industries. It also helps cultural and creative institutions to restructure and become publicly traded.

Shanghai International Arts Festival - Rising Arts Works. Photo © Zhenliang Ye. Courtesy of Shanghai Theatre Academy.

Data Sources

Currency conversion: 1 CNY ⇄ \$ 0.159 USD
2015 average

Page	Data	Source / Year	Note
117	Shanghai Municipal Administration of Culture, Radio, Film and TV budget 116 million USD	Shanghai Municipal Administration of Culture, Radio, Film and TV / 2016	2016 Official Budget. Figure refers to basic expenditure and project-based expenditure
117	Nine culture funds: 12 million USD	Shanghai Municipal Administration of Culture, Radio, Film and TV / 2016	These funds are: Animation and Game Funding; Development Funding for Shanghai Performing-Art Private Enterprises; Shanghai Non-Profit Performances Funding; Fine Arts In Schools Funding; Funding for State-owned Performing Arts Institutes Performing in Suburbs, Towns and Villages; Funding for Non-governmental Organisations Opening Museums in Shanghai; Shanghai Network Audio-visual Industry Funding; Shanghai Municipal Intangible Cultural Heritage Protection Funding; and Shanghai Public Cultural Projects Funding
117	Publicity Department of the Shanghai Municipal Committee of the Community Party of China: 24 million	Publicity Department of the Shanghai Municipal Committee of the Community Party of China / 2016	2016 Official Budget
117	Culture Development Promotion Fund: 90 million USD	Publicity Department of the Shanghai Municipal Committee of the Community Party of China / 2016	2016 Official Budget
117	Shanghai Cultural and Creative Industry Promotion Fund: 47 million USD	Shanghai Municipal Administration of Culture, Radio, Film and TV / 2016	
117	Shanghai Federation of Literary and Art Circles: 19 million USD	Shanghai Federation of Literary and Art Circles / 2016	
118	Shanghai Municipal Press and Publication Bureau: 9 million USD	Shanghai Municipal Press and Publication Bureau / 2016	
118	15 local districts: 402 million USD	Districts budgets / BOP / 2016	Capital funding excluded Breakdown of culture, sports and media budgets were not available for five districts (Jiading district, Fengxian district, Baoshan district, Yangpu district and Songjiang district). Since their per capita spending on culture, sports and media were lower than the average culture spend per capita of the rest of the ten districts, aggregate budgets of these five districts were used instead.



New Year's Eve celebration.
Photo © Guolin Fu.
Courtesy of Shanghai Theatre Academy



Shenzhen International Industrial Design Fair
Photo courtesy of Shenzhen Municipal Government

Shenzhen

Funding for culture

Public direct 436M USD + 8M USD

(culture-dedicated + non-culture-dedicated)

Public indirect ?

Private giving and sponsorship ?

Public direct funding - sources

World City 71%

Local 29%

Culture-dedicated public direct funding

63% Development of the Culture Industries and Culture Promotion Fund; Culture and Creative Industries Fund

33% Culture, Sports and Tourism Administration

2% Publicity Department of Shenzhen Municipal Committee

2% Shenzhen Federation of Literary and Arts Circles

100%
10 local townships

World City 310M USD

Local 126M USD

- Open grants
- State-owned and affiliated cultural organisations
- State-owned organisations
- Culture budget

Culture budget

Overview

Public funding system: Exceptionally decentralised – as a wealthy city Shenzhen receives no transfer payments or ‘public culture’ funding from national government. The majority of spending is at world city level.

Percentage of national culture budget:
Around 0%

Sector/institutional profile of direct public spend: ‘Culture funds’ provide grants to both affiliated and non-governmental cultural organisations, including the creative industries. While core and grant funding is given to 14 government cultural organisations, large sums are also spent via ‘culture funds’ offering contestable grants that are open to both affiliated and non-governmental organisations. Local districts fund local ‘public culture’ institutions, such as libraries, culture centres and museums.

Overall cultural spending profile: Private funding is not common in China; the concept of ‘public culture’ implies institutions that are fully state-supported. Small private culture funds have been established and corporations sometimes put on cultural activities for their employees.

Important non-culture public funders: Some support is offered to the creative industries by the city’s Economy, Trade and Information Commission, and by the Science and Technology Innovation Committee. The Municipal Bureau of Education funds arts education programmes.

Culture-dedicated public direct funding

At the **national level**, Shenzhen’s wealth means that it does not attract transfer payments from the national government, which are intended to support less prosperous localities. Nor does it receive any funding from a national level for ‘public culture,’ meaning the standard free-to-use cultural facilities that all Chinese cities are required to maintain. In this, Shenzhen is typical of first-tier Chinese cities, due to China’s particularly decentralised funding regime.

At the **world city level**, culture-dedicated spending by the city government totalled 310 million USD, 0.4% of its budget in 2016, slightly higher than the national average of 0.38%. Culture spending in the city is managed by two different government agencies.

The remit of the Culture, Sports and Tourism Administration includes culture, radio, film and television, sports, news and publishing, and tourism. It directly funds 14 cultural organisations, including libraries, galleries, a symphony, and the heritage management department. Core funding to these organisations was 52 million USD in 2016. On top of this, it provides project-based funding to these organisations for activities such as ‘Reading Month.’ This accounts for another 49 million USD.

The Publicity Department of the Shenzhen Municipal Committee of the Communist Party of China organises activities to promote culture, supports local crafts and publishes cultural research. It funds and manages the Shenzhen News, Film and TV Centre as well as publishing the Shenzhen Cultural Industries Yearbook. Its total budget (including support for the Centre) was 7 million USD in 2015-16.

The Culture, Sports and Tourism Administration and the Publicity

Department of the Shenzhen Municipal Committee of the Communist Party of China play an important secondary role in culture funding as they manage the ‘government funds,’ strategic funds established by the city to support particular industries or themes. In 2016 there were two culture-related funds: the Development of the Culture Industries and Culture Promotion Fund, and the Culture and Creative Industries Fund. Together these funds totalled 191 million USD, representing 63% of the dedicated culture spending of the city. They represent the government’s move towards a more ‘market-oriented’ culture sector, as grants are open to both affiliated and non-governmental cultural organisations. In 2014, 381 project grants were awarded to non-governmental cultural organisations from these funds.

The Shenzhen Federation of Literary and Arts Circles is a non-governmental association of artists and writers. Its budget was 7 million USD. In addition to this budget, it administers a small Culture Promotion Fund – around 4 million USD in 2014, supporting 69 cultural activities.

At a **local level**, the 10 local districts of Shenzhen are responsible for funding cultural activities and local ‘public culture’ institutions, such as libraries, culture centres and museums. Beyond this standard provision, some have set up additional funds for culture. For example, Futian and Nanshan have initiated a ‘non-profit culture activities tender’ system through which they can ‘procure’ non-profit organisations to organise culture activities, while Luohu and Baoan give grants to private cultural organisations and activities. Altogether, Shenzhen’s local districts spent 126 million USD in 2016, a little under 30% of Shenzhen’s total culture budget.

Other public funders

Shenzhen city government also offers significant support to the creative industries. For example, in 2014 the Economy, Trade and Information Commission of Shenzhen Municipality offered subsidies of 8 million USD to local fashion brands. Similarly, the Shenzhen Science and Technology Innovation Committee awarded grants to seven creative industries organisations as part of their 'Innovation Fund.'

The Shenzhen Municipal Bureau of Education also funds arts education programmes and cultural activities for school-age children and young people. Figures for its cultural spending are not available, as these are not recorded separately.

Public indirect and private funding

The 'government funds' for culture mentioned above also involve indirect methods of support, such as tax exemptions and a loan guarantee provision. Data on the size of this support is not available. Cultural organisations also receive tax exemptions from the Shenzhen government.

Private funding for culture is not common in China; the concept of 'public culture' implies institutions that are fully state-supported. Yet Shenzhen is making efforts to increase private support for culture. Many corporations are based in the city, which has many young workers with a strong interest in culture. The city government encourages corporations to offer more cultural events, and local districts often offer small subsidies to these events as a gesture of goodwill.

A few private culture funds have been established in Shenzhen, which has a reputation for being a pioneer in its approach to cultural funding. The Artron Fund (set up by the Artron Arts Group) and the Indigenous Culture Development Fund (set up by the Shenzhen Charity Association) both have a national reach. In 2013, the Artron Fund offered 60,000 USD in project funding nationally.



New funding models

Shenzhen has embraced a concept known as 'Culture +.' Thinking about the combinations 'culture + technology,' 'culture + entrepreneurship,' and 'culture + finance' has helped to open up new possibilities for public culture provision in Shenzhen, giving organisations the flexibility to access venture funding, crowdfunding, and funding from non-culture governmental agencies.

Shenzhen Music Hall Photo courtesy of Shenzhen Municipal Government

Data Sources

Currency conversion: 1 CNY ⇌ \$ 0.159 USD
2015 average

Page	Data	Source / Year	Note
125	Culture-dedicated spending by city government: 310 million, 0.4%	People’s Government of Shenzhen Municipality / BOP / 2016	City government budget: 51,229 million RMB
125	Culture, Sports and Tourism Administration core funding to 14 cultural organisations: 52 million	Culture, Sports and Tourism Administration / 2016	
125	Culture, Sports and Tourism Administration project funding to 14 cultural organisations: 49 million	Culture, Sports and Tourism Administration / 2016	
125	Publicity Department of the Shenzhen Municipal Committee of the Communist Party of China culture budget: 7 million	Publicity Department of the Shenzhen Municipal Committee of the Communist Party of China / 2016	
125	Development of the Culture Industries and Culture Promotion Fund, and the Culture and Creative Industries Fund: 191 million	The Culture, Sports and Tourism Administration / Publicity Department of the Shenzhen Municipal Committee of the Communist Party of China / 2016	
125	Shenzhen Federation of Literary and Arts Circles: 4 million	Shenzhen Federation of Literary and Arts Circles / 2014	
125	Local districts cultural budget: 126 million	BOP / 2016	Data compiled based on 10 local districts’ official budgets.
126	Economy, Trade and Information Commission of Shenzhen Municipality: 8 million	Economy, Trade and Information Commission of Shenzhen Municipality / BOP / 2014	



Citizens reading in Shenzhen library on a Sunday.
Photo © Mo Han, Courtesy of Shenzhen University

Stockholm

Funding for culture

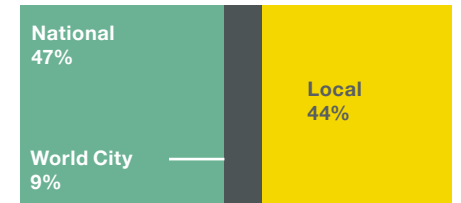
Public direct 714M USD + ?

(culture-dedicated + non-culture-dedicated)

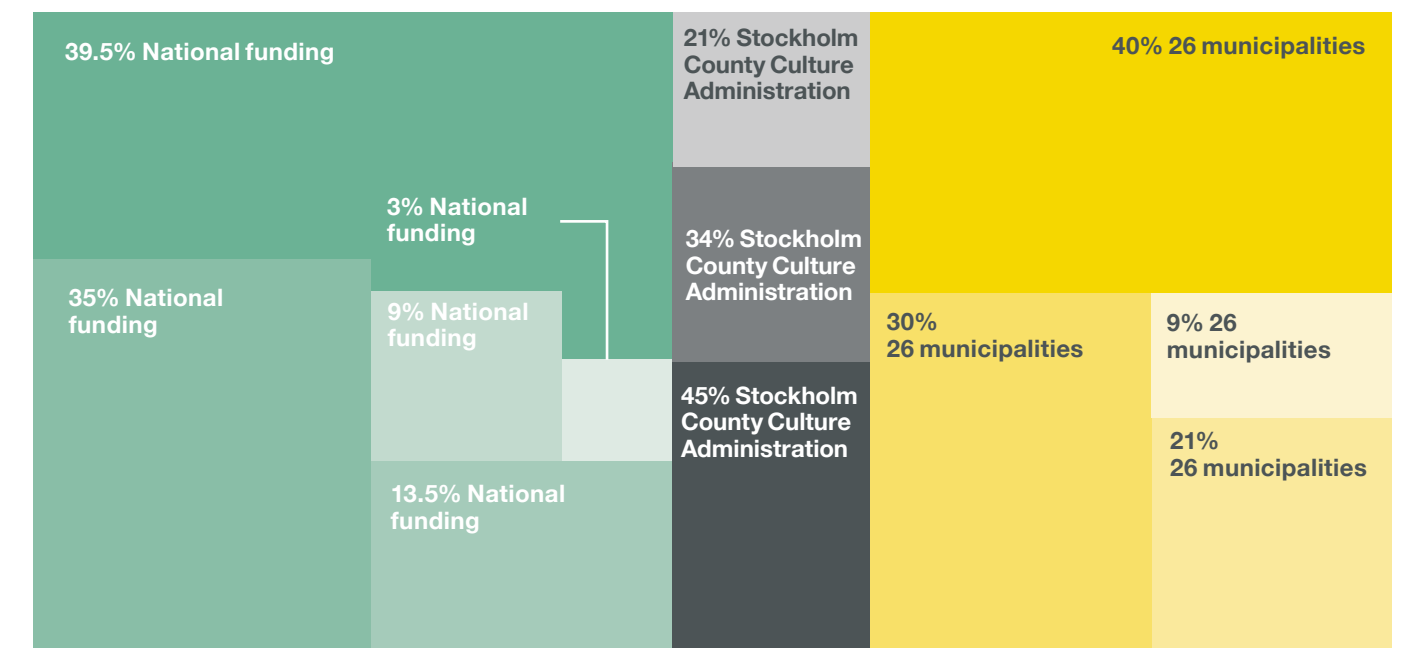
Public Indirect ?

Private giving and sponsorship ?

Public direct funding - sources



Culture-dedicated public direct funding



National 335M USD

- Performing arts
- Museums and exhibitions
- Cultural heritage and archive
- Other cultural activities
- Grants to artist

World City 63M USD

- Funding for theatre, dance and music
- Culture related education (Folkbildning, folkhögskolor)
- Museums, exhibitions, archives, cultural heritage, design, film and media, libraries and other general expenditure

Local 316M USD

- Public libraries
- General cultural activities
- Music/Culture School
- Cultural education

Overview

Public funding system: Moderately decentralised, with slightly less than half of spending at a national level.

Percentage of national culture budget: 45% ^{1/}

Sector/institutional profile of direct public spend: World city (county) spending focuses on theatre, dance, music and cultural education. The largest proportion of local spending goes to libraries.

Overall cultural spending profile: Private funding and sponsorship of culture is uncommon in Sweden, although several privately funded cultural institutions have recently been established in Stockholm.

Important non-culture public funders: Include city planning and development offices (which plan and implement cultural projects) and the Stockholm Business Region, which promotes both tourism and the film industry.

^{1/}
Figure refers to National funding derived to Stockholm region

Culture-dedicated public direct funding

At the **national level**, funding for culture comes from a number of public institutions including the Swedish Arts Council, Swedish Performing Arts Agency, Swedish National Heritage Board, Swedish Film Institute, and the National Archives. 47% of public direct funding for the Stockholm region comes from the national government, with the main funder being the Swedish Arts Council. The national government funds and administers national institutions based in the capital, including the Royal Opera, Royal Dramatic Theatre, the National Museum and National Maritime Museums. State expenditures derived to the Stockholm region in 2013 were 335 million USD.

At the **world city level**, responsibility for culture lies with the Stockholm County Culture Administration. In 2012-13 it spent 63 million USD, of which 45% went to theatre, dance and music, and 34% went towards cultural education via grants to youth organisations and institutions for popular adult education (Folkhögskolar).

At the **local level**, Stockholm County includes 26 independent municipalities that coordinate their planning to form an integrated regional and urban entity. In 2012-13 the municipalities spent a total of 316 million USD on culture. The largest proportion of this, 40%, went to libraries, which are considered a policy priority as suppliers of learning and recreation.

Stockholm Municipality (also known as the City of Stockholm) is the largest of these municipalities. In 2012-13, it spent 149 million USD on culture, which represents 47% of the total spending on culture by municipalities across the Stockholm region. The Stockholm municipality's culture budget is about

3% of its total budget. It operates and funds libraries, culture schools, festivals and art galleries.

National and municipal cultural policy is highly integrated, with common themes based on democratic access to culture. As the national capital and a regional driver of arts and culture, Stockholm works closely with central government, Stockholm County Council, and neighbouring municipalities on culture-related infrastructure projects and events. A large number of independent cultural players receive support from both the city and from the national government via the Swedish Arts Council.

Since 2011, the City of Stockholm has made changes in its funding system aimed at actively promoting structural change in the arts and culture sector, prioritising reaching new audiences and reflecting the multicultural nature of Stockholm. Although it is possible to apply for three-year funding, the emphasis is on funding for individual projects, with special development funding available for innovative initiatives.

On an even more local level, Stockholm Municipality is divided into fourteen District Administrations. These receive city funding which is dedicated to 'Children, culture and leisure' and decide what proportion of this to allocate to culture. As it is not possible to separate out culture spend, this funding has not been included in our statistics.

Other public funders

Other boards and divisions of the City of Stockholm are also involved in culture. The city planning and development offices are responsible for planning and implementing construction work, including cultural projects. The Stockholm Business Region (SBR) is responsible for marketing Stockholm as a business and tourist destination, and supports efforts to bring more film production to the Stockholm region and to facilitate the film industry's contacts within the city.

Indirect funding and private funding

Private funding and sponsorship of culture is uncommon in Sweden, representing around 1% of total culture funding in Sweden. There are no tax exemptions available for cultural donations or sponsorship.

Corporate sponsorship is generally only achieved by the major state-run cultural institutions and does not represent a large part of their budget. The Swedish savings bank foundations (partly owned by Swedbank, Sweden's largest bank) sponsor both sports and culture, though their culture funding is limited.

The Postcode Lottery Culture Foundation is a private actor in the culture funding space. In 2013 it contributed 16.5 million USD to culture, but this was less than 1% of its total charitable spending.

In recent years, several privately funded cultural institutions have been established in Stockholm, including ABBA The Museum; Fotografiska, a photography museum; Playhouse Theatre; and the art museums Artipelag, Magasin III, Sven-Harrys Konstmuseum and Bonniers Konsthall.



New funding models

Many young arts producers in Stockholm are exploring alternative funding approaches, with crowdfunding growing in popularity. One significant platform is Crowdculture, which combines private donations with a public funding pool from the cultural budget, whose distribution is controlled by public support.

Mural painting at Odenplan. Photo © Lisa Olsson. Courtesy of City of Stockholm

Data Sources

Currency conversion: 1 SEK ⇌ \$ 0.15 USD
2013 average

Page	Data	Source / Year	Note
132	Percentage of national culture budget: 45%	National culture expenditures in regional perspective 2013, Swedish Arts Council/ 2013 - 14	Percentage of national funding derived to all regions in Sweden (4.7 billion SEK) that were derived to Stockholm (2.1 billion SEK)
133	National level funding: 335 million	National culture expenditures in regional perspective 2013, Swedish Arts Council/ 2013	
133	Stockholm County Culture Administration: 63 million	Swedish Agency for Cultural Policy Analysis / Samhällets utgifter för kultur 2012-2013 / Kulturfakta 2014:2	
133	Municipalities culture expenditures: 316 million	Swedish Agency for Cultural Policy Analysis / Samhällets utgifter för kultur 2012-2013 / Kulturfakta 2014:2	
133	Stockholm municipality culture spending: 149 million	Swedish Agency for Cultural Policy Analysis / Samhällets utgifter för kultur 2012-2013 / Kulturfakta 2014:2	Stockholm Municipality's budget was 47% of the total budget of all Stockholm region municipalities
134	Postcode Lottery Culture Foundation: 16.5 million	Postkodslotteriets / 2013	



Royal Palace Sprint
Photo © Henrik Trygg. Courtesy of City of Stockholm

Sydney

Funding for culture

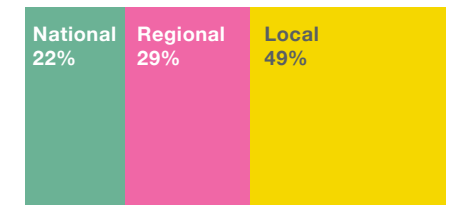
Public direct 375M USD + ?

(culture-dedicated + non-culture-dedicated)

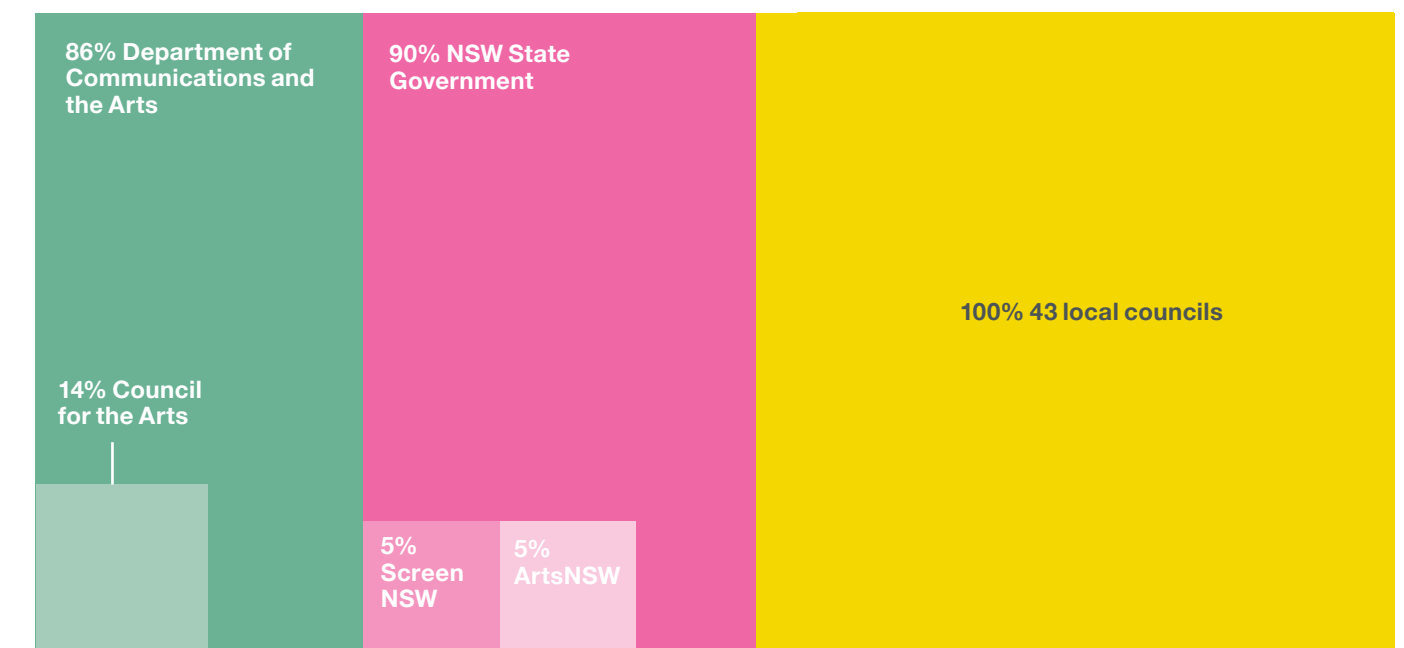
Public Indirect ?

Private giving and sponsorship 37M USD

Public direct funding - sources



Culture-dedicated public direct funding



National 84M USD

- Portfolio organisations
- Grants

Regional 107M USD

- State Cultural Institutions
- Grants
- Grants

Local 184M USD

- Culture budget

Overview

Public funding system: Decentralised, with significant regional and local funding. There is no coordinating institution at world city level (Greater Sydney), and therefore no corresponding spend.

Percentage of national culture budget: 14%

Sector/institutional profile of direct public spend: Primarily to state cultural institutions and arms-length bodies at both national and regional level. Local government supports public libraries and cultural activities.

Overall cultural spending profile: Dominated by public direct funding, with some indirect contribution from a variety of tax incentives. Giving by individuals and foundations nearly three times the size of corporate sponsorships.

Important non-culture public funders: A number of funders at both national and regional levels, drawing on tourism, heritage and environmental preservation budgets.



Hyde Park, Sydney
Photo © Joy Lai.
Courtesy of City of Sydney

Culture-dedicated public direct funding

At the **national level**, culture is the responsibility of the Ministry of Arts, part of the Department of Communications and the Arts. A large part of national culture funding is allocated to a portfolio of state-supported institutions. Of the twelve national cultural institutions in the Ministry of Arts portfolio, three are located or co-located in Sydney, including Screen Australia and the National Maritime Museum. Total funding to these three organisations was 72 million USD in 2015-16. The Ministry of Arts also funds specific short-term programs and grants to both institutions and individuals.

Australia Council for the Arts, also located in Sydney, is the Australian Government's arts funding and advisory body, operating at 'arms length.' It receives funding from the Ministry of Arts. Its grants to Sydney based organisations and individuals were 7 million USD in 2015-16. In late 2015 its four-year budget was cut by 55 million USD. An additional 36 million USD over that period was redirected to fund a new Catalyst programme, to be administered directly by the Ministry, which aims to support the creation of partnerships, new infrastructure, and innovative approaches to participation. In 2015-16, an estimated 4 million USD grant funding was spent in Sydney via the Catalyst programme.

At the **regional level**, there are six 'State Cultural Institutions' funded by the state in New South Wales (NSW), including the Sydney Opera House, the State Library of NSW, Powerhouse Museum and Sydney Living Museum. All are based in Sydney. Total grant funding for these organizations was 96 million USD in 2014-15. (Capital grants are excluded.)

ArtsNSW, part of the NSW Department of Justice, is the arts and culture policy and development body for the government of New South Wales. It supports artists and key arts and cultural organisations through both infrastructure and targeted grants, and works collaboratively with NSW cultural institutions, the arts and cultural sector and partners within government. In 2015-16, its Arts and Cultural Development Programme provided 5 million USD funding to Sydney based organizations and individuals.

Screen NSW, an arms-length organization supporting the film and television industry in New South Wales, received 5 million USD in funding in 2016.

At the **world city level**, the 'Greater Sydney' metropolitan area is made up of 43 separate councils. No cultural funding data is gathered at the Greater Sydney level, nor is cultural policy or implementation strategy determined at this level.

At the **local level**, Sydney's 43 councils fund cultural activities and public libraries. Their estimated total spending on culture was 184 million USD.

Other public funders

Other national sources of culture funding for Sydney include Tourism Australia, Department of Environment Heritage Grants and Funding, and the National Heritage Trust of Australia.

The Sydney Harbour Federation Trust is a self-funding government agency, part of the national Department of Environment and governed by a board of trustees. It manages key sites on the harbour such as Cockatoo Island. Most of its investment is in infrastructure; the cultural events it hosts are either state or federally funded through other agencies, such as ArtsNSW or the Australia Council.

Other state spending on culture derives from tourism, heritage and environmental preservation budgets. Heritage and environmental preservation are major concerns of the New South Wales government, with aboriginal arts, history and tradition an important strand within this. State bodies and statutory authorities responsible for heritage include the Department of Environment; Department of Planning, Heritage Branch; Historic Houses Trust of NSW; and Aboriginal Affairs NSW.

Destination NSW, mainly funded by the state treasury, spent 95.8 million USD in 2013-14 to promote tourism. This included funding for cultural events, such as commercial theatre, that attract tourists to the area.

Public indirect and private funding

Given public cuts in culture spending, a key priority for the culture sector in Australia has been to encourage private giving.

The national Ministry of the Arts administers a Cultural Gifts Program which incentivises donations of art and artefacts to public cultural institutions. Donors are able to claim the value of the donated item as a deduction on their income tax. In 2014-15 there were nearly 600 donations made. The estimated value to Sydney was 10 million USD.

In 2015, major cultural organisations in Sydney received 17 million USD in private donations and 10 million USD in sponsorships.

The Australian Cultural Fund, administered by Creative Partnerships Australia, is a 'collective funding platform for Australian artists.' Donations made via the platform are tax deductible.

Private and Public Ancillary Funds are foundations or charitable trusts run, respectively, by individuals and families or by non-profits and trustees. Donations are tax deductible and funds are exempt from income tax. In 2012-13, these funds distributed 41 million USD to culture nationally.



New funding models

The Australian Council for the Arts estimates that crowdfunding raised 4 million USD for arts and culture nationally in 2013-14. Creative Partnerships Australia runs a match funding programme called MATCH which will support 43 campaigns in 2016, of which 20 are hosted on the Australian Cultural Fund platform.

Photo © Sharon Hickey.
Courtesy of City of Sydney

Data Sources

Currency conversion: 1 AUD ⇌ \$ 0.752 USD
2015 average

Page	Data	Source / Year	Note
140	Percentage of national culture budget: 14%	Portfolio Budget Statements, Communication and the Arts Portfolio/ 2015-16	Share of federal culture budget allocated to Greater Sydney. National budget concerns budget to the Department of Communications and the Arts (outcome 2, AUD 271M), Screen Australia (AUD 84M), Old Parliament House (AUD 18M), National Portrait Gallery of Australia (AUD 26M), National Museum of Australia (AUD 43M), National Library of Australia (AUD 53M), National Gallery of Australia (AUD 29M), National Film and Sound Archive of Australia (AUD 26M), Australian National Maritime Museum (AUD 24M), Australian Film, Television and Radio School (AUD 24), and the Australia council (AUD 185M).
141	Budget for Screen Australia, National Maritime Museum, Australian film, Television and Radio School: 72 million	Portfolio Budget Statements, Communication and the Arts Portfolio/ BOP/2015-16	Screen Australia budget: AUD 84 million. Proportionated based on 60% of employment in the screen sector were from NWS. Assume these 60% of workers live in Greater Sydney Area. Australian film, Television and Radio School: AUD 24 million National Maritime Museum: 22 million USD
141	Australia Council for the Arts: 7 million	Australia Council for the Arts	
141	Catalyst programme: 4 million	Australia Council for the Arts/BOP/ 2015-16	Grants to NSW : AUD 9.6 million Proportionated based on the proportion of the NSW population living in Greater Sydney (60%)
141	State Cultural Institutions: 96 million	Annual reports/2014-16	Sydney Living Museum: AUD 17 million Art Gallery of New South Wales: AUD 24 million Australian Museum: AUD 23 million State Library NSW: AUD 15 million Museum of Applied Arts and Sciences: AUD 35 million Sydney opera house: AUD 113 million
141	ArtsNSW: 5 million USD	ArtsNSW / 2016	Based on Arts Culture and Develop Multi-year Programme 2016 to 2018. For multi-year grants, annual average was used to estimate funding for 2016
141	Screen NSW: 5 million	Screen Australia Stakeholder Report /2014-15	Figure concerns total amount of grants in 2014-15. Assume all grants went to Greater Sydney area.
141	43 councils: 184 million	Australian Bureau of Statistics / BOP / 2012-13	Estimated based on the ABS estimate of per person culture spend (recurrent) in NSW (AUD 50.64) multiplied by Greater Sydney population (4,840,600)
142	Cultural Gifts Program: 10 million USD	City of Sydney / Australian Bureau of Statistics / BOP / 2013-14	Cultural Gifts Program national value: AUD 55 million. Assume value of gifts proportionate to cities' GDP. Proportionated by Greater Sydney GDP share (23% of national GDP)
142	Private donations: 17 million	Australian Major Performing Arts Group / 2014	Data taken from Tracking Changes in Corporate Sponsorship and Private Donations 2014. NSW major performing arts organisations figure. All NSW organisations that provided data were based in Sydney

Customs House
Origami Tiger. Photo
© Paul Patterson.
Courtesy of City of
Sydney



142	Sponsorships: 10 million USD	Australian Major Performing Arts Group / 2014	Data taken from Tracking Changes in Corporate Sponsorship and Private Donations 2014. NSW major performing arts organisations figure. All NSW organisations that provided data were based in Sydney
142	Indirect public funding from Private and Public Ancillary Funds: 41 million	Data Australia / 2013-14	'Taxation Statistics 2012-13 Charities and Deductible Gifts'. National figure
143	Australian Council for the Arts crowdfunding: 4 million	Australia Council for the Arts / 2014	National figure; taken from 'Arts Nation' 2015 edition



Roppongi Art Night 2014
Photo © Sunny Photo. Courtesy of Tokyo Metropolitan Government

Tokyo

Funding for culture

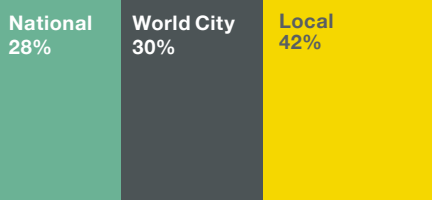
Public direct 655M USD + 35M USD

(culture-dedicated + non-culture-dedicated)

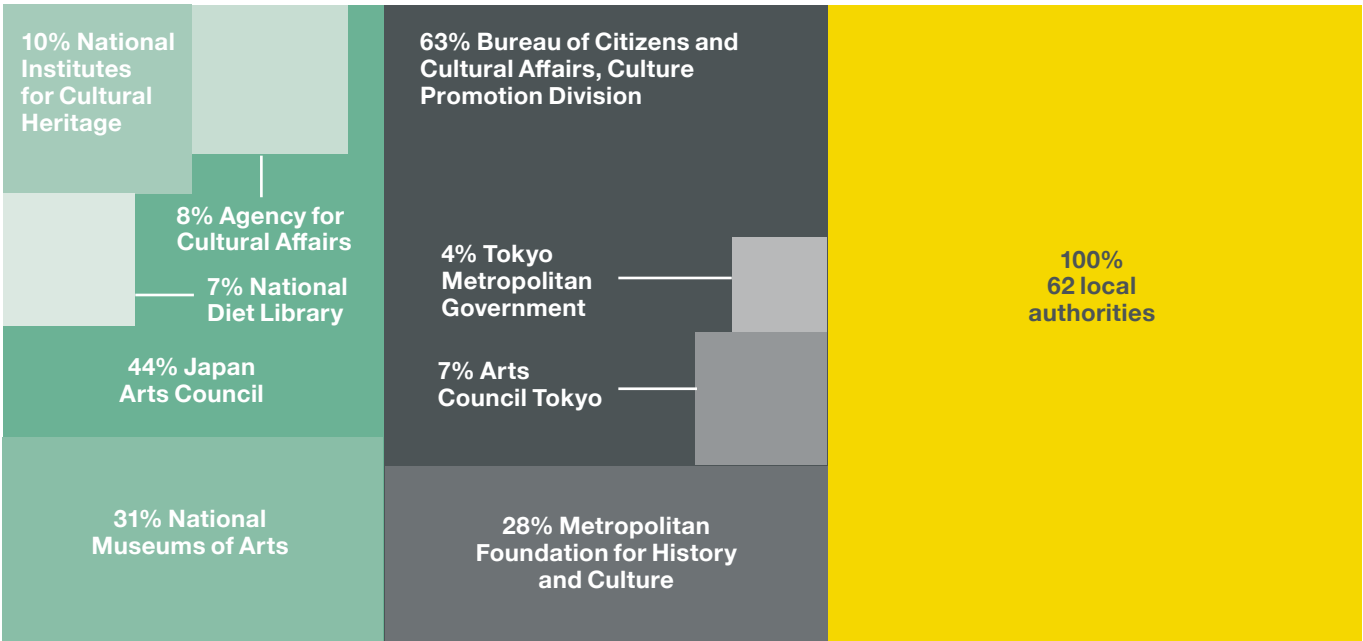
Public indirect ?

Private giving and sponsorship 586M USD

Public direct funding - sources



Culture-dedicated public direct funding



National 185M USD

- National theatres and open grants
- National museums
- State-owned cultural organisations
- Project funding
- National Diet Library

World City 196M USD

- Culture budget
- Maintenance of cultural facilities
- Project funding
- Tokyo Metropolitan Symphony

Local 274M USD

- Projects, management of cultural institutions, maintenance of heritage.

* National level data was gathered based on Tokyo metropolitan Government's capacity

Overview

Public funding system: Relatively decentralised, with only 28% of funding provided by the national government. Local government is responsible for the largest proportion of public funding.

Percentage of national culture budget: 20%

Sector/institutional profile of direct public spend: At national and metropolitan level, expenditure goes primarily to arms-length institutions which manage national cultural institutions and facilities. Significant grants programmes. Local government funds projects and manages local facilities and heritage sites.

Overall cultural funding profile: Corporations and foundations are the main private funders, contributing more than double the direct culture budget of the Tokyo Metropolitan Government. No statistics available for earned revenue.

Important non-culture public funders: Many government departments have functional responsibilities and budgets for culture. These include the Bureau of Industrial and Labor Affairs Tourism Division, Tokyo Metropolitan Board of Education and the Office of Education.



Photo © Shoko Ogushi. Courtesy of Tokyo Metropolitan Government

Culture-dedicated public direct funding

At the national level, the Agency for Cultural Affairs, which is part of the Ministry of Education, Culture, Sports, Science and Technology, oversees national cultural institutions and supports arts and cultural projects. The budget of the Agency for Cultural Affairs is based on the Mid-Term Vision for regional and national revitalisation, aiming at the creation of a cultural and artistic nation. Its total budget for the fiscal year 2015 was 858 million USD, of which arts and cultural projects and cultural heritage spending on Tokyo was estimated to be 15 million USD.

Moving towards the 2020 Olympic Games in Tokyo, it is making active efforts to foster young talent, to restore and utilise cultural properties, to promote international cultural exchange, and to improve and enhance infrastructure for the dissemination of culture.

There are three Independent Administrative Institutions (IAI) affiliated to the Agency for Cultural Affairs – the Japan Arts Council, the National Museums of Arts, and the National Institutes for Cultural Heritage. Together, funding for the three IAIs is 157 million USD, 85% of national direct funding for culture.

The National Museums of Arts and the National Institutes for Cultural Heritage are responsible for managing the national museums. Japan Arts Council funds six national theatres for the traditional performing arts and manages the Japan Arts Fund which supports cultural and artistic activities and artists who work in traditional and contemporary performing arts. Japan Arts Council is the most significant national funder of Tokyo culture, representing 44% (81million USD) of total national direct funding.

The National Diet Library is the national library founded in Tokyo. Together with its International Library of Children's Literature, it received 13 million USD in national funding in 2015-16.

At the world city level, Tokyo Metropolitan Government has created a budget to fund projects to make Tokyo one of the most globally recognised cities, and to accelerate the preparation towards 2020 Tokyo Games based on the Long Term Vision for Tokyo. The Culture Promotion Division of the Tokyo Metropolitan Government's Bureau of Citizens and Cultural Affairs is responsible for cultural policy and the promotion of arts and culture. Its budget is 196 million USD, 0.4% of the total budget of the Tokyo Metropolitan Government. It has a focus on arts and cultural creation and dissemination to support the 2020 Olympic and Paralympic Games.

Tokyo Metropolitan Foundation for History and Culture receives 33% (65million USD) of the Culture Promotion Division's budget. It is responsible for administering Tokyo Metropolitan Government's 9 arts and cultural facilities, as well as Arts Council Tokyo.

Arts Council Tokyo was the first Arts Council in Japan, established in 2012. It is funded by the Tokyo Metropolitan Foundation for History and Culture and represents 20 % (13 million USD) of the foundation's total budget. It plays a central role in Tokyo's arts and cultural policy and makes public grants to arts organisations.

In 2015, Tokyo Metropolitan Government created the Tokyo Vision for Arts and Culture and established the Tokyo Arts Fund to embody the Long Term Vision.

With a budget of 83 million USD (10 billion JPY) for 5 years, the fund makes grants to support cultural programmes for the 2020 Tokyo Games and programmes by Arts Council Tokyo. Arts Council Tokyo is responsible for arts and cultural projects that will take place around and beyond the Games.

At the **local level**, Tokyo's 62 local authorities are responsible for funding local arts and cultural projects, and managing local cultural facilities and cultural heritage sites. Their total culture budget was 274 million USD in 2015-16 (except capital work). Redevelopment by Toshima ward to form an international cultural hub, as well as the newly opened Sumida Hokusai Museum funded by Sumida ward and individual supporters, are good examples of the important role that local authorities play in Tokyo arts and culture.

Other public funders

Other government departments at the world city level also have functional responsibilities and budgets for culture. This includes the budget to implement projects set forth in the Long Term Vision for Tokyo, which includes cultural programmes. In 2015-16 these departments included the Bureau of Industrial and Labour Affairs, Tourism Division (8 million USD), Tokyo Metropolitan Board of Education (11 million USD, public library budget) and the Office of Education (10 million USD).

Apart from these three, other government departments secured 6 million USD for arts and cultural projects in 2015-16 ^{1/}. These had dedicated culture budgets devoted to maintaining Tokyo's cultural heritage.

Public indirect funding and private funding

According to the 2013-14 KMK Mécénat Survey of 420 corporations and 189 corporate foundations, corporations and foundations gave 525 million USD to the arts and culture in Tokyo. This is more than double the direct culture budget of the Tokyo Metropolitan Government, demonstrating the high level of interest of corporations in supporting arts and culture.

The mission of the Association for Corporate Support of the Arts is to bring together corporations and organisations interested in promoting the arts and culture, and establishing a society full of creativity, vitality and appreciation of diversity. It advocates for a project called "Creative Archipelago" which encourages social investment and promotes corporate participation in culture all over the country, in particular by taking advantage of the opportunity of the Tokyo Games. A survey reveals that over 20% of corporations are examining the possibility of participating in the cultural programmes around the Tokyo Games.

Individual charitable giving to specific types of non-profit organisations is tax deductible. Research by the Economic and Social Research Institute of the Cabinet Office suggested that 5% of individual giving goes to art and culture nationally.

1/

The Bureau of Construction also has a budget for maintaining cultural heritage in parks. However its budget has been omitted from these statistics due to difficulty in separating its culture spend.



Photo courtesy of Tokyo Metropolitan Government

Data Sources

Currency conversion: 1 ¥ ⇌ \$ 0.0083 USD
2015 average

Page	Data	Source / Year	Note
148	Percentage of national culture budget: 20%	Agency for Cultural Affairs / Tokyo Metropolitan Government / 2015 - 16	Percentage of culture budget by Agency for Cultural Affairs budget (including National Museums of Arts, National Institutes for Cultural Heritage and Japan Arts Council) (¥100.5bln) allocated to Tokyo (¥20.8bln)
149	Funding for three IAs: 157 million	National Museums of Arts / National Institutes for Cultural Heritage / Japan Arts Council / 2015	
149	Agency for Cultural Affairs other spending: 15 million	Tokyo Metropolitan Government / 2013	
149	Japan Arts Council funding to Tokyo: 44% of total national direct funding	Japan Arts Council / Tokyo Metropolitan Government / 2015	Total funding to Tokyo from Japan Arts Council: ¥9.8 billion.
149	National Diet Library, National Diet Library funding: 13 million	National Diet Library / 2015	
149	Tokyo Metropolitan Government's Bureau of Citizens and Cultural Affairs Culture Promotion Division budget: 196 million; 0.4% of the city's total budget	Tokyo Metropolitan Government / 2015	Tokyo Metropolitan Government's budget: ¥6,235bln (2015)
149	Tokyo Metropolitan Foundation for History and Culture: 65 million	Tokyo Metropolitan Government / 2015	
149	Tokyo Arts Fund: 83 million USD	Tokyo Metropolitan Government / 2015	5-year budget, excluded from analysis.
150	Local authorities total culture budget: 274 million	Tokyo Metropolitan Government / 2015	This figure excludes capital budget
150	Bureau of Industrial and Labor Affairs Tourism Division: 8 million	Tokyo Metropolitan Government / 2015	
150	Tokyo Metropolitan Board of Education: 11 million	Tokyo Metropolitan Government / 2015	
150	Office of Education: 10 million	Tokyo Metropolitan Government / 2015	
150	Other government departments: 6 million	Tokyo Metropolitan Government / 2015	Bureau of Urban Development, the Bureau of Construction, Bureau of Waterworks and Bureau of Sewerage. The Bureau of Construction's budget figure has been omitted from our statistics due to the difficulty in separating its culture spend.
150	Corporate and corporate foundations' giving: 525 million	KMK Mecenat Survey / Tokyo Metropolitan Government / 2013	



Fukushima Festival 2014. Courtesy of Tokyo Metropolitan Government

Toronto



Toronto Luminato Festival 2015
Photo courtesy of City of Toronto

Funding for culture

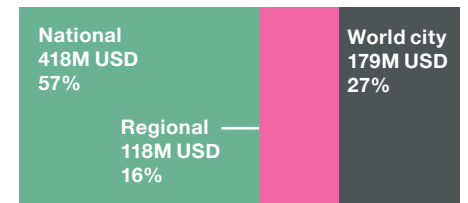
Public direct 733M USD + 0.9M USD

(culture-dedicated + non-culture-dedicated)

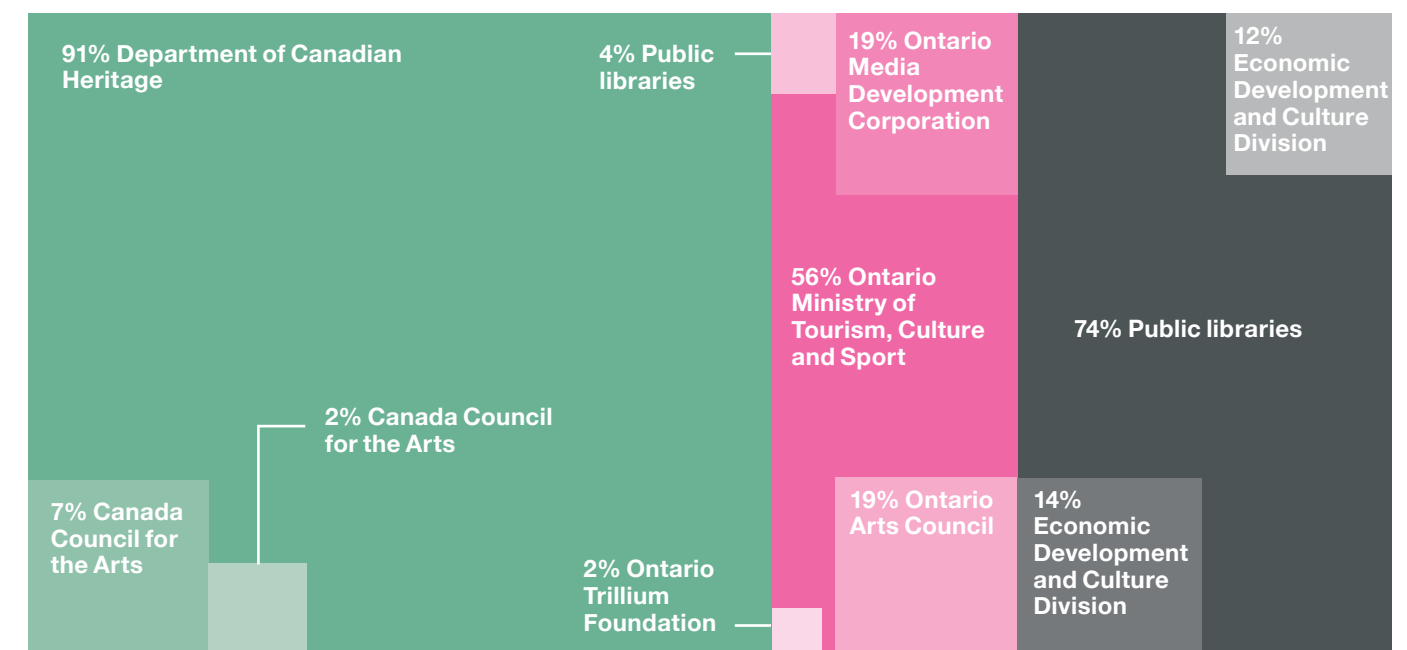
Public Indirect 349M USD

Private giving and sponsorship 15M USD + ?

Public direct funding - sources



Culture-dedicated public direct funding



National 418M USD

- 91% Grants
- 7% Grants
- 2% Grants

Regional 118M USD

- 56% Grants
- 19% Grants
- 19% Grants
- 4% Public libraries
- 2% Grants

World City 179M USD

- 74% Public libraries
- 14% Cultural service budget
- 12% Cultural grants

Overview

Public funding system: Somewhat centralised, with a small majority of funding provided at the national level. Regional (provincial) and world city level also play a significant if smaller role. There is no local spend.

Percentage of national culture budget: 19%

Sector/institutional profile of direct public spend: National spend primarily supports grants programmes administered in Toronto. World city spend is dominated by public libraries (74% of world city level funding for culture).

Overall cultural spending profile: Indirect public funding, in the form of tax credits, is significant. Toronto also has a high level of individual, charitable and corporate donations.

Important non-culture public funders: A number of national and regional departments fund culture, although budget figures were not available. At city level, funding comes from Toronto Parks, Forestry and Recreation, Toronto Regional Conservation Authority and Tourism Toronto, as well as from a billboard tax.



Photo © Courtesy of City of Toronto

Culture-dedicated public direct funding

At the **national level**, the Department of Canadian Heritage is the main government department responsible for culture. In 2014-15 it spent 365 million USD directly in Toronto, mostly going to grants programmes administered in Toronto. Its portfolio organisations include four departmental agencies (including Canadian Radio-television and Telecommunications Commissions and the Library and Archives Canada), ten crown corporations (including Canada Council for the Arts, National Gallery of Canada) and one administrative tribunal. It also runs strategic initiatives such as the Canada Cultural Investment Fund, which helps arts organisations develop new revenue streams and business strategies.

The Canada Council for the Arts, one of the ten crown corporations, is supported by endowments and bequests as well as government funds. In 2014-15 it provided 26 million USD in grants to institutions and individuals based in Toronto. Telefilm Canada, another crown corporation that supports the screen-based sector, invested approximately 27 million USD in production funding in Toronto.

At the **regional level**, the Ontario Ministry of Tourism, Culture and Sport provides provincial cultural policies, programs and services. It has a portfolio of cultural organisations and service agencies, of which three – Art Gallery of Ontario, Ontario Science Centre, and the Royal Ontario Museum – are based in Toronto. They received 56.5 million USD in 2015-16. The Ministry also offers grants via a number of programmes, totalling 9 million USD for Toronto in 2015-16.

The Ministry of Culture oversees the Ontario Arts Council, an arms-length grant-making agency which gave over 1800 grants, representing 23 million

USD funding for Toronto in 2015-16. This included grants to a portfolio of regularly funded organisations, independent organisations and individuals.

The Ontario Media Development Corporation is a government agency that supports media development, including film and television, publishing, music and digital media. It runs funding programmes, administers tax credits and carries out research. In 2015-16, 473 grants were given to Toronto-based organisations, totalling 22 million USD.

The Ontario Trillium Foundation, also overseen by the Ministry, is Canada's largest grant making foundation, working in a broad range of areas including the environmental, the elderly, and social inclusion. In 2015-16 it gave 3 million USD to Toronto in arts and culture grants.

The Ontario government provided 5 million USD to public libraries in Toronto in 2015-16.

At the **world city level**, the City of Toronto's Economic Development and Culture Division (EDC) is responsible for culture. In 2016 its cultural services budget was 50 million USD. Of this, 47% (23 million USD) was devoted to Cultural Grants: 16 million USD administered via Arts Council Toronto, and the remaining 7 million USD granted directly by EDC to a portfolio of 11 Major Cultural Organisations (including the Art Gallery of Ontario, National Ballet of Canada and Pride Toronto) and 6 Local Arts Service Organisations. In 2013, Toronto set a target to increase per capita spend on culture from \$18 to \$25 CAD by 2016 (excluding public libraries funding). By 2015 it had achieved 92% of this target.

In 2016 Toronto Public Library received 147 million USD from the City of Toronto, representing 74% of city level funding.

Other public funders

On a city level, Toronto Parks, Forestry and Recreation maintains public and green space in the city and organises community festivals. Its budget is not included in this report due to difficulty separating culture-specific spend.

Toronto Regional Conservation Authority is responsible for the Black Creek Pioneer Village, an open-air heritage museum of the 1800s village. In 2015-16 its funding for the Black Creek Pioneer Village was 0.3 million USD.

Tourism Toronto also supports cultural events, such as sponsoring the Nuit Blanche arts festival. It spent 0.6 million USD on culture in 2014-15.

In 2009, Toronto introduced a Billboard Tax, which was upheld by the Supreme Court in 2012 after a challenge from the sign industry. Revenue was used to fund a 22 million USD arts and culture reserve which is now being used to meet Toronto's commitment of \$25 CAD per capita arts funding.

Ontario's Ministry of Health, Ministry of Education, Ministry of Economic Development, Employment and Infrastructure, Ministry of Community and Social Services and Office of Francophone Affairs all fund culture-related projects. Budget figures were not available.

On a federal level, FedDev Ontario, Industry Canada, Employment and Social Development Canada, Parks Canada, and Environment Canada have all invested in culture-related projects in Toronto.

Public indirect and private funding

Indirect funding is an important source of funding for culture in Toronto, and includes incentives at national, provincial and city level.

National tax credits for film and television total 365 million USD nationally. Toronto, as Canada's leading production centre, second only to Los Angeles and New York City in North America, receives an estimated 108 million USD from these credits.

Most provincial indirect funding is focused on the creative industries. Ontario Media Development Corporation administers a number of tax credits for the creative industries (including audiovisual, computer animation, digital media and book publishing) which totalled 238 million USD for Toronto in 2015-16. Provincial legislation partially exempts some of Toronto's charities (which include cultural organisations) from property taxes. Some large cultural institutions, such as the Art Gallery of Ontario, are exempt from property taxes by special legislation.

Toronto City Council offer Below Market Rent leases on a case-by-case basis to cultural and community organisations. Meanwhile, the Imagination, Manufacturing, Innovation, Technology (IMIT) Program encourages construction and renovation in certain sectors – including the creative industries and tourist attractions – by granting businesses “60% of the increase in the municipal taxes attributable to the eligible development over a 10-year period.”



Individual donations to the arts and culture are high in Canada. For example, in 2014, the Toronto not-for-profit performing arts sector is estimated to have received 9 million USD from individuals, 3 million from trusts and foundations, and 2 million from corporations. Estimated indirect public funding as a result of these donations was 2 million USD.

New funding models

Since 2000, Tides Canada has operated as a national shared platform to raise funds for social change and deliver shared governance and administration expertise. It is not specifically focused on culture but includes some art-based projects, such as ArtReach Toronto.

The City of Toronto celebrates the opening ceremonies for the Pan Am Games at Nathan Phillips Square
Photo © Dan Galbraith/Details Group.
Courtesy of City of Toronto.

Data Sources

Currency conversion: 1 \$ ⇌ CAD 1.279 USD
2015 average

Page	Data	Source / Year	Note
156	Percentage of national culture budget: 19%	Canadian Actors' Equity Association/ BOP / 2014 - 15	Percentage of national culture budget (2.15 billion CAD) allocated to Toronto. National culture budget includes budgets for Department of Canadian Heritage and Selected Cultural Agencies and Crown Corporations, excluding Canadian Broadcasting Corporation.
157	Canadian Heritage spending in Toronto: 365 million USD	Department of Canadian Heritage / 2014 - 15	Total amount of Grants & Contributions with postal codes that start with "M" (Toronto region) for 2014-15. This includes all Canadian Heritage grant and contribution programs. This figure does not include any language or sport agreements, nor funding through the portfolio agencies (Canada Council, Telefilm, NFB, etc.).
157	Canada Council for the Arts: 26 million USD	Canada Council for the Arts / 2014 - 15	
157	Telefilm Canada: 27 million USD	Telefilm Canada / Canadian Media Producers Association / BOP / 2013-14	Estimated based on Telefilm's national production funding (65 million CAD), proportionated with Ontario's volume of film and television production (38% of that in Canada; Economic Report on the Screen-based Media Production Industry in Canada, 2015) Given that Toronto is the third largest film production location in North America, it is assumed that the vast majority of the production in Ontario happened in Toronto.
157	Art Gallery of Ontario, Ontario Science Centre, Royal Ontario Museum: 56.5 million USD	Ontario Ministry of Tourism, Culture and Sport / 2015-16	
157	Ontario Ministry of Tourism, other grants: 9 million USD		Figures include grants from Culture Development Fund, Community Museum Operating Grants, Heritage Organizational Development Grants, Provincial Heritage Organizations, Ontario Cultural Attractions Fund, and Celebrate Ontario
157	Ontario Arts Council: 23 million USD	Ontario Ministry of Tourism, Culture and Sport / 2015-16	
157	Ontario Media Development Corporation: 22 million USD	Ontario Ministry of Tourism, Culture and Sport / 2015-16	
157	Ontario Trillium Foundation: 3 million USD	Ontario Ministry of Tourism, Culture and Sport / 2015-16	
157	Ontario public libraries: 5 million USD	Ontario Ministry of Tourism, Culture and Sport / 2015-16	
157	Economic Development and Culture Division, cultural service budget: 50 million USD	City of Toronto / 2015 - 16	
157	Economic Development and Culture Division; cultural grants: 23 million USD	City of Toronto / 2015 - 16	
157	Arts Council Toronto: 16 million USD	City of Toronto / 2015 - 16	
157	Major Cultural Organisations: 7 million USD	City of Toronto / 2015 - 16	
157	Toronto Public Library: 147 million USD	City of Toronto / 2015 - 16	
158	Black Creek Pioneer Village: 0.3 million USD	City of Toronto / 2015 - 16	

Evergreen Brick Works
Courtesy of City of Toronto.



158	Tourism Toronto: 0.6 million USD	Tourism Toronto / 2014 - 15	
158	National tax credits for film and television: 365 million USD	Canadian Audio-Visual Certification Office / 2013	Projected value of Canadian Film or Video Production Tax Credit (CPTC) and Film or Video Production Services Tax Credit (PSTC).
158	Tax credits for film and television to Toronto: 108 million USD	Canadian Audio-Visual Certification Office / BOP / 2013	Estimated based on national tax credits for film and television (365 million USD), proportionated with Ontario's volume of film and television production (38% of that in Canada; Economic Report on the Screen-based Media Production Industry in Canada, 2015) Given Toronto is the third largest film production location in North America, it is assumed that the majority of production activities in Ontario happen in Toronto.
158	Ontario Media Development Corporation tax credits: 238 million USD	Ontario Ministry of Tourism, Culture and Sport / 2015-16	
159	Performing arts sector: 9 million USD individual giving, 3 million USD trust and foundation giving, 2 million USD corporate funding	Statistics Canada / Invest Toronto/ BOP / 2014	Figures only concern not-for-profit performing arts organisations. Estimated based on Ontario private funding data (Statistics Canada, CANSIM table 361-0080), proportionated with size of Toronto's economy (25% of the Ontario's GDP, Invest Toronto) • Corporate donations and sponsorships: 11.5 million CAD • Individual donations and donations from fundraising events: 48.3 million CAD • Foundations and other private sector grants: 17.8 million CAD

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World Cities Culture Summit 2015 Finance Report Roundtable session. Photo Courtesy of Greater London Authority.

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Inauguration du nouveau piétonnier de Bruxelles, summer 2015.
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