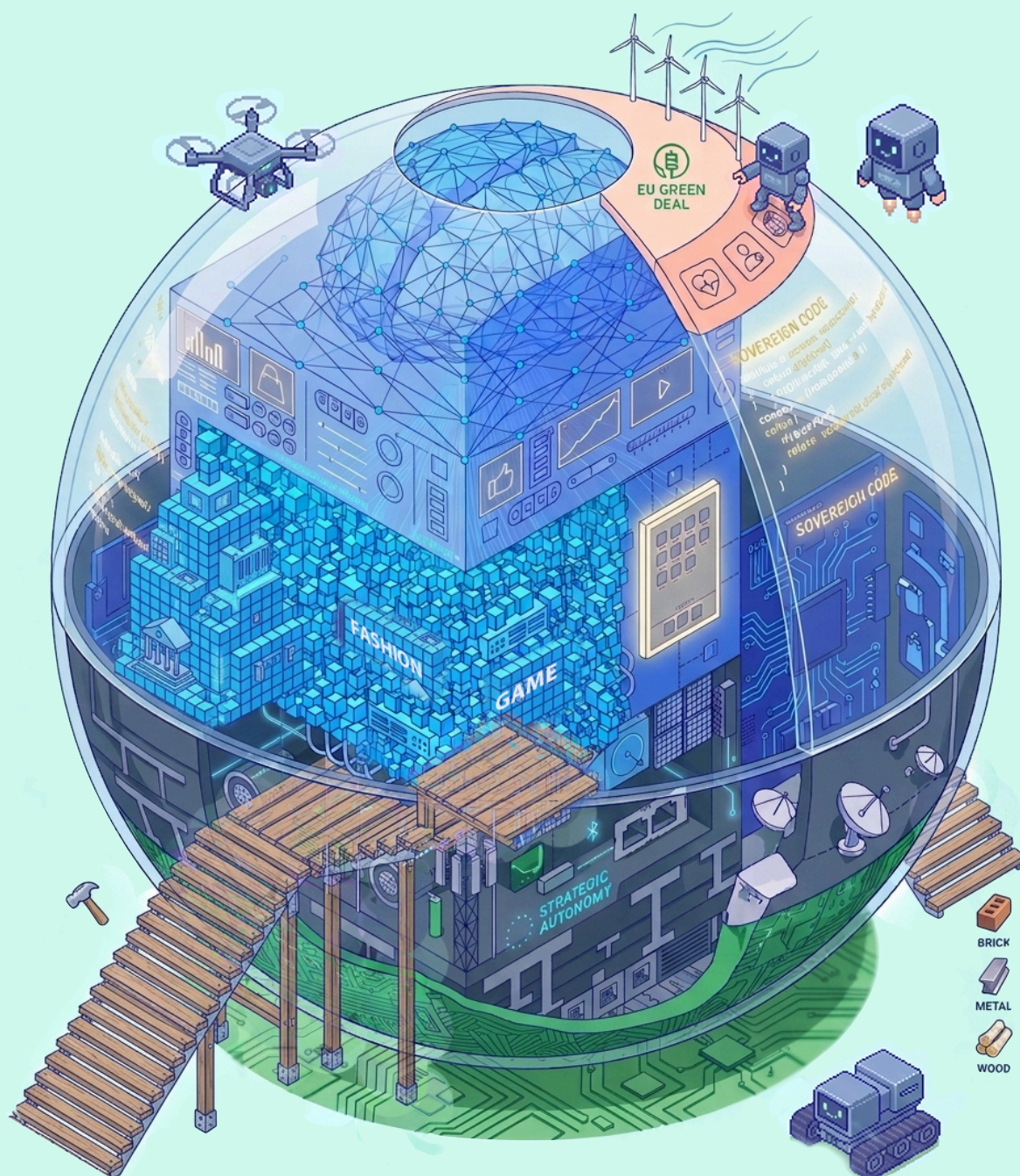


CreativeStack

European CCIs an Innovation Infrastructure



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Contact: info@creativefed.eu

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Lead authors

Gerin Trautenberg ORCID 0000-0001-8331-3253
Gerbrand Bas



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Foreword

This White Paper is presented to the Strategic Dialogue for the European Creative Economy – #SDECE26 – convening in Brussels on 5 May 2026. **It is both a working document and a testimony: the written record of a year's collective thinking, advocacy, and field experience by the board, staff, and partner network of CreativeFED.**

These pages did not emerge from a single commission or a single pen. They are the outcome of a process that began at the Strategic Dialogue for the European Creative Economy on 3 and 4 June 2025, where the **architecture of the 2028–2034 Multiannual Financial Framework (MFF)** first came into focus and the discussion about **European digital Sovereignty** as a defining challenges for Europe's cultural and creative sectors. The conversations that opened in that room – about **structural exclusion, failing funding instruments**, and what a **genuinely sustainable model** for creative innovation could look like – continued throughout the year that followed. That last year made it more visible than before that the multi-crisis (war, energy, financial, inflation, climate,...) is not a market problem awaiting a market solution. It is evidence that market logic, left to itself, cannot deliver the transitions Europe needs.

In December 2025, CreativeFED participated in the **High-Level Roundtable on Artists' Working Conditions** convened by Executive Vice-President Roxana Mînzatu and Commissioner Glenn Micallett. That dialogue confirmed what the sector's own data had long indicated: that **the structural precarity of creative work in Europe demands systemic responses, not marginal adjustments**. At the **CreativeSkills Week in Prague**, the *scale of the skills transition underway across the sector brought equal urgency*. CreativeFED's leading role in the **Large Scale Partnership for the Creative Pact for Skills** is the institutional expression of that commitment. The arguments in this paper are grounded in evidence: the *CreativeFED 2025 Member Future Funding survey* captures, for the first time at European scale, the financing barriers, participation costs, and structural exclusions that define the daily reality of creative enterprises across the Union.

This **White Paper also draws on the evidence and emerging results of seven EU-funded projects** in which CreativeFED and its network are active partners: CYANOTYPES, PACEMAKER, SACCORD, CREDEX, Label4Future, GreenCCircle, and Crafts-IT4SD.

Taken together, these strands converge on a single argument: Europe's **Cultural and Creative Industries are not a sector in need of protection – they are innovation infrastructure in need of recognition**. The chapters that follow make that case across four domains: the 2028–2034 funding architecture and the LockIC model for sustainable creative ecosystems; AI integration and the policy frameworks it demands; the transformation of public procurement into a strategic instrument for creative innovation; and the structural barriers that continue to exclude the sector from the funding systems nominally designed to support it.

We offer this paper not as a final position but as an invitation – to the dialogue that begins today in Brussels, and to the policy process that must follow.

The Board and Staff of CreativeFED Brussels, May 2026

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About This White Paper

This White Paper is **organised into five substantive parts**. Each stands as a self-contained argument; together they build a single, connected case. Readers with specific policy interests may enter at any chapter; those approaching the document for the first time are encouraged to read sequentially.

Part One – CreativeStack: An Innovation Infrastructure makes the paper's foundational argument. *Europe is building a digital sovereignty framework – EuroStack – without the content layer that gives it meaning*. This chapter **proposes CreativeStack** as a fifth layer of that framework: a formal recognition of Cultural and Creative Industries as **Critical Innovation Infrastructure**. *It calls for the establishment of a CreativeStack Interest Group* and sets out targeted policy recommendations addressed to the European Commission, Parliament, and Council.

Part Two – Already Inside the Studio: AI, Creative Industries, and the Policy Gap That Cannot Wait *examines what is actually happening in studios, agencies, and ateliers across Europe* today. Using the Creativity–AI Nexus framework, **it maps three distinct modes of human–AI creative interaction** and traces their *implications for authorship, attribution, training data rights, and workforce transition*. It closes with recommendations on copyright implementation, provenance infrastructure, and the skills investment Europe urgently needs.

Part Three – From Cost to Value: Unlocking Public Markets for Creative Innovation *addresses public procurement as an underused strategic instrument*. It argues that the €85 billion spent annually by **public authorities can and should activate the methodologies of the cultural and creative industries** – service design, co-creation, systems thinking – to address complex societal challenges. It provides a practical roadmap and four recommendations for procurers, policymakers, and sector advocates.

Part Four – The Funding Paradox for CCIs documents, in granular detail, why Europe's most **structurally distinctive innovation sector cannot access the innovation funding nominally** available to it. It examines four major EU programmes – *Horizon Europe, Creative Europe, CERV, and Erasmus+* – *and finds a consistent pattern of designed-in exclusion*. Grounded in the CreativeFED 2025 Member Survey, this chapter presents six recommendations for structural reform of the EU funding architecture.

Part Five – Creative Industries: Future Innovation Infrastructure addresses the 2028–2034 Multiannual Financial Framework directly. **It revisits the complaints** of Member states and the Fraunhofer institute of the *failing EIT/KIC model, and draws on that diagnosis to rescue the best of the Knowledge Triangle (Education, Research and SMEs) ecosystem building experience with the propose of localisation the KICs* – Local Knowledge and Innovation Communities – as a regionally embedded, structurally sustainable successor, and argues for the **integration of CCIs into National and Regional Partnership Plans (NRPP)** as Critical Innovation Infrastructure. It closes with recommendations addressed to the Commission, Parliament, and Member States.

For each part exists separately **policy recommendations** and a **full reference list** follows each chapter. The Foreword and this guide are followed by the Executive Summary, which distils the paper's core argument and principal recommendations for readers who require a rapid overview.

Executive Summary

Europe's Cultural and Creative Industries *are not a sector in need of protection*. **They are innovation infrastructure in need of recognition**. That is the argument this White Paper makes – across five domains, from five different angles, with one conclusion: **the structural exclusion of CCIs from Europe's funding architecture, digital sovereignty agenda, and public procurement systems is not a cultural problem. It is a strategic error.**

The digital sovereignty framework is incomplete. The EuroStack initiative represents a serious and overdue European response to dependency on non-European digital infrastructure. *This paper welcomes its ambition and advances one consequential correction: EuroStack, in its current form, omits the content layer – the films, music, games, journalism, and symbolic goods through which European citizens actually experience the digital and especially promoted European values.* CCIs contribute 4.4% of EU GDP (EY 2015), employ over twelve million people, and generate the training data on which European AI systems are being built – without consent, without compensation, and without a governance voice. CreativeStack proposes a fifth layer: Creative Innovation Infrastructure. Europe cannot claim digital sovereignty while outsourcing its cultural content. The infrastructure is being built. The content must be European. The creators must have a voice.

Artificial intelligence is already inside the studio – and policy has not kept pace. AI is not arriving at the creative sector's door. It is already reshaping how music is composed, how stories are told, how images are made, and how the next generation of practitioners will learn their craft. The Creativity–AI Nexus framework maps three distinct modes of human–AI creative interaction – deductive, inductive, and abductive – each with distinct implications for authorship, attribution, and labour. The legal landscape is moving: the European Parliament's March 2026 copyright resolution, the GEMA v. OpenAI ruling, and the AI Act's GPAI provisions represent genuine steps. They are not enough. Opt-out mechanisms remain inaccessible to individual creators. Transparency obligations remain formulaic. Entry-level creative roles – where craft is transmitted to the next generation – are being absorbed by AI at the same moment that the sector faces its deepest skills transition. The response must be systemic.

Public procurement is a strategic instrument that Europe has not yet used. European public authorities spend approximately €85 billion annually. That spending power can activate creative methodologies – service design, co-creation, systems thinking – to address the complex, human-centred challenges that off-the-shelf procurement cannot solve. The legal space to do this already exists within European and national procurement frameworks. What is missing is the willingness to pioneer within the rules, and the institutional capacity to do so. Procurement can also enforce fair pay and fair practice, providing the sustainable revenue streams that the creative sector's precarious project economy cannot generate alone.

The funding architecture is structurally exclusionary – and about to become worse. Four EU programmes dominate the landscape most relevant to CCIs: Horizon Europe, Creative Europe, CERV, and Erasmus+. Each operates on a distinct logic. None adequately captures how creative enterprises actually work, innovate, or generate value. The sector simultaneously embodies all four programme rationales and fits none of them completely enough to access any in full. The administrative cost of participation – estimated at approximately €40,000 per consortium proposal – functions as a tax on ambition that large institutions absorb and micro-enterprises cannot. The 2028–2034 Multiannual Financial Framework threatens to deepen this exclusion: Horizon's Cluster 2 has been eliminated, the European Competitiveness Fund contains no cultural dimension, and CCIs appear in the new Horizon regulation in precisely one subordinate clause. At the moment

when creative intelligence is most strategically important to AI development, democratic communication, and sustainable transition, European policy is proposing to defund the sector most capable of providing it.

The response requires structural redesign, not marginal adjustment. This paper sets out twenty-eight recommendations across its five chapters. Their common logic is this: CCIs must be formally classified as Critical Innovation Infrastructure, with the funding eligibility, governance representation, and policy recognition that designation entails. The EIT/KIC model's failure offers a lesson and a seed: the Knowledge Triangle convergence it achieved in the creative sector for the first time must be carried forward in a new, regionally embedded institutional form – the LockIC, anchored in the NRPP framework and designed for structural sustainability rather than programme dependency. National and Regional Partnership Plans offer the first genuine opening in a decade to embed creative investment as horizontal infrastructure at regional level. That window is open now. It will not remain so once plans are finalised and allocations locked.

A Europe that funds technological innovation while defunding cultural intelligence is building for a future it will not be able to narrate, understand, or shape. CreativeFED presents this paper not as a final position but as an invitation – to the dialogue that begins today in Brussels, and to the policy process that must follow.

CreativeStack an Innovation Infrastructure

A call for Cultural and Creative Industries as Critical Innovation Infrastructure

Abstract

Europe aims to **build its digital stack infrastructure**. *This paper argues it is building it incomplete*. The EuroStack initiatives (Bria, Timmers and Gernone, 2025; Caffarra et al., 2025 and 2025a) represent a serious and overdue response to Europe's **structural dependency on non-European digital infrastructure**. This paper welcomes the ambition of the EuroStack framework – and advances a single, consequential correction: in its current form, the framework contains a critical structural omission, the **systematic exclusion of Europe's Cultural and Creative Industries (CCI) from its analytical framework and governance architecture**. Cultural and Creative Industries – the sector that produces the films, music, games, journalism, and symbolic goods through which European citizens actually experience the digital – are absent from its architecture, its governance, and its funding logic.

This is not a cultural objection to a technical framework. **It is a structural argument about what European digital sovereignty means** in practice. *CCI contribute 4.4 per cent of EU GDP, employ over twelve million people, and generate €477 billion in annual value added* (European Commission, 2021b; KEA, 2021). More critically, they produce the training data on which European AI systems are being built – **without consent, without compensation, and without a seat** at the governance table. *A sovereign digital infrastructure that extracts the creative labour of European artists and writers to power AI systems that then compete with those same creators is not a European alternative. It is the same extractive model* with a different flag.

CreativeStack proposes a fifth layer: **Creative Innovation Infrastructure**. This paper calls for the formal integration of CCI into the EuroStack framework – **not as a downstream beneficiary but as a constitutive layer** – and *for the establishment of a CreativeStack Interest Group to ensure that European creators have a voice in the forums shaping European digital sovereignty*. **Five targeted policy recommendations** are addressed to the European Commission, the European Parliament, and the Council of the EU.

The infrastructure is being built. The content must be European. The creators must have a voice.

Keywords: CreativeStack, EuroStack, Cultural and Creative Industries, Creative



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1. Introduction: Sovereignty Without Culture?

The **concept of digital sovereignty** has rapidly become *one of the organising imperatives of European technology policy*. **Three converging pressures have made the question acute**. The *geopolitical shocks* of the COVID-19 pandemic (OECD, 2020) and the war in Ukraine exposed the fragility of *Europe's supply chain dependencies*. The openly *hostile posture of the Trump administration towards European partners* has made strategic autonomy a political necessity rather than a technocratic preference (Trautenberger, 2026). These dependencies are underlined by the **accelerating dominance of US hyper-scalers** across European digital infrastructure has demonstrated, as Bria, Timmers and Gernone (2025, p.10) document exhaustively, *that market forces alone will not produce a European alternative*.

Into this debate, two documents published in early 2025 stand out for their ambition and scope. The **Bertelsmann report**, led by Francesca Bria with contributions from Mariana Mazzucato and Andrea Renda, offers a '**comprehensive mapping**' of the **EuroStack** – *a layered architecture from semiconductors and cloud infrastructure to AI and quantum computing, grounded in European democratic values* (Bria, Timmers and Gernone, 2025). But also the **EuroStack an industry white paper**, led by Cristina Caffarra and *co-signed by over two hundred European digital businesses, pursues a more operationally focused agenda: fast-tracking public procurement reform through 'Buy European', 'Sell European', and 'Fund European' mandates* (Caffarra et al., 2025).

What EuroStack Gets Right

The ambition behind EuroStack is correct and overdue. Bria, Timmers and Gernone (2025) are right to name the dependency plainly: *Europe imports over 80 per cent of its digital technologies, three US companies control 70 per cent of cloud market*. **This is not a market imbalance to be regulated away**. *It is a structural condition that demands a structural response*. *The call for a European Sovereign Tech Fund, mission-oriented public investment of €300 billion, and the use of procurement conditionality to create demand for European suppliers* (Bria, Timmers and Gernone, 2025, pp.34–39) reflects a mature understanding of industrial policy – one that draws rightly on the tradition of the entrepreneurial state (Mazzucato, 2013) and aligns with the strategic direction set by Draghi (2024) and Letta (2024). Bria et al. introduce a **four-layer methodology for the EuroStack model** which comprises a base layer of **Critical Resources** including raw materials energy and water. This is followed by the second **Hardware** layer and its sections and sub-layers of chips networks and the Internet of Things (IoT) infrastructure. This is then built upon by the third layer based on **Software** with its section of sub-layers for cloud services and software services and finally the fourth and top layer of **Data and Artificial Intelligence**.

Key EuroStack Statistics (Bria, Timmers and Gernone, 2025)

Europe imports over 80% of its digital technologies. Three US companies control 70% of the European cloud market. 70% of foundational AI models originate in the United States. Annual EU business purchases of US cloud/software services: estimated at €262 billion – equivalent to Europe's total energy import bill.

Caffarra et al. (2025) add operational precision to this vision. Their '**Buy European**', '**Sell European**', '**Fund European**' framework translates strategic intent into achievable near-term levers – fast-tracking procurement reform, improving the visibility of European services, and mobilising capital through a dedicated EuroStack Fund. This is exactly the kind of actionable policy

architecture that European digital sovereignty requires. The Missing 5th Layer: Why CCI Matters for Digital Sovereignty

A Reductionist Model of the Digital Economy

The **EuroStack documents** fundamentally **reduce the digital economy to a purely technical substrate of hardware and software**. By focusing exclusively on industrial R&D and infrastructure, they **ignore the “creative, content and experience” economy**. Despite streaming, gaming, and digital media accounting for the majority of global traffic and revenue, these CCI-driven sectors – where European firms like Spotify and Ubisoft remain globally competitive – are entirely overlooked.

Culture Is How Democracy Travels

The most consequential **argument for CreativeStack is not economic. It is political**. *European digital sovereignty means the ability to shape the information environment in which European citizens live, decide, and identify. That environment is made of content – news, stories, games, music, film, the entire landscape of symbolic goods through which people make sense of the world. The infrastructure that carries this content matters.* But so does who produces it, in which languages, with which perspectives (Trautenberger, 2026, p.3).

The Economic Scale of CCI: An Asset Being Left Off the Table

The scale of the omission is significant. Europe’s CCI – encompassing film, music, publishing, games, broadcasting, design, architecture, advertising, and the performing arts – account for approximately 4.4 per cent of EU GDP and directly employ over twelve million people (European Commission, 2021b; KEA, 2021). The sector generates €477 billion in annual value added and has demonstrated a growth trajectory that outpaces many of the industries the EuroStack documents do address (Trautenberger, 2026, p.1). These are not peripheral actors. They are among Europe’s most internationally competitive industries, representing a form of strategic asset that no coherent industrial policy framework should overlook.

The OECD (2020) documented the particular vulnerability of CCI to digital market disruption, precisely because of their dependence on platform intermediaries – the very platforms the EuroStack seeks to replace with European alternatives. The UNESCO (2022) global framework for cultural policy similarly identifies digital distribution infrastructure as the key pressure point for cultural sector viability. Both organisations recognise what the EuroStack documents do not: that content industries and digital infrastructure are inseparable questions.

The **dominance of US streaming platforms, Cloud Provider and AI Services** in European markets **is not merely a trade imbalance**. *It shapes the stories Europeans tell about themselves, the historical memories they share, and the cultural references through which a shared public sphere is constituted. A sovereignty framework that addresses cloud dependency but not content dependency has inverted its priorities.* The ability to store data on European servers is less immediately consequential for democratic self-determination than the ability to produce and distribute European stories (Trautenberger, 2026, p.4).

CCI as Infrastructure, Not Ornament

Treating cultural content as a peripheral "consumption good" is a strategic error. Content functions as a form of infrastructure; *the viability of digital platforms and cloud providers depends on the data and media that populate them.* A digital stack is incomplete without the content layer. Designing infrastructure in isolation from the content it is built to carry represents a fundamental failure in industrial policy. **Content, creative storytelling, and contextual delivery are the foundations of business models** for European digital platforms and distribution networks. Spotify was built on European music. Netflix's European subscriber base is sustained substantially by European productions – a fact the company documents in its own reporting on local content investment. (Trautenberger, 2026, p.4). Designing infrastructure in deliberate ignorance of the content it is built to carry is not a neutral technical decision. It is a policy choice – and the wrong one.

CreativeStack's Conceptual Framework - Creative Innovation Infrastructure

CreativeStack is proposed here as the integration of Cultural and Creative Industries *into the EuroStack framework as a constitutive fifth layer – not as a downstream beneficiary of digital infrastructure investment, but as an innovation infrastructural layer in its own right.* The term builds deliberately on the EuroStack concept to *signal not a competing framework but a completion of it.* Just as the EuroStack builds layer upon layer from semiconductors to AI, the CreativeStack argument insists that the content layer – **the layer of meaning, narrative, experience, and cultural production** – *is as foundational as any of the technical layers beneath it.*

This conceptual move has precedents. The EU's own Horizon Europe framework explicitly recognises cultural production as central to European resilience and cohesion (European Commission, 2021a). The Letta report (2024) on the Single Market demands the enhancement of research, innovation and education which between the **lines calls for CCI to be recognised as a strategic sector.** The Draghi competitiveness report (2024) identified content industries as a dimension of European strategic autonomy. None of these political signals, however, have been translated into the EuroStack framework. **CreativeStack seeks to close that gap.**

2. CreativeFED calls for a CreativeStack Coalition

CreativeFED proposes the **establishment of a CreativeStack Interest Group:** *a structured advocacy body dedicated to ensuring that the voice of European creators, creative talents & artists, content producers, creative innovators, educators, networks, cultural organisations – the whole creative economy is heard in the forums that are shaping the CreativeStack in practice – before the European Parliament, the Commission, the Council, and the industry coalitions convening around the initiative.* This is not a lobbying exercise in the narrow sense. **It is an argument about the composition of the policy table.** The wires, clouds, and AI systems both EuroStack documents seek to render European are conduits. *What flows through them is produced overwhelmingly by CCI actors.* To design the conduit without the participation of those who fill it is, as Trautenberger (2026, p.7) concludes, 'an engineering error dressed as a policy choice'.

AI, Training Data, and the Sovereignty of Creative Labour

Nowhere is the **inclusion of CCI more urgent than in the domain of artificial intelligence.** *Large language models, image generators, and audiovisual synthesis systems have been built*

substantially on the creative output of European writers, artists, musicians, and filmmakers – in most cases without consent, compensation, or any mechanism for affected communities to shape the terms of use (Trautenberger, 2026, p.7).

CCI are among the most significant generators of the training data on which AI systems depend. The current contested terrain of copyright in AI training – already the subject of major litigation in both the United States and Europe – makes it clear that the relationship between CCI and the AI layer of the EuroStack is not peripheral but central (Trautenberger, 2026, p.4). *Any European sovereign AI strategy that does not address the rights and interests of European content producers is not, in any meaningful sense, sovereign. It is the same extractive relationship as before, with a different flag.*

This is not a marginal licensing dispute. It is, as Trautenberger (2026, p.7) argues, ‘a foundational question about who controls the cultural memory of European civilisation’. The principle must be unambiguous: **European content cannot be treated as a free resource for commercial AI training without the explicit, informed, and fairly compensated consent of rights-holders.**

CreativeFED calls for CCI representatives to be formally included in all European AI governance frameworks – including the AI Act implementation, the AI Liability Directive, and any data spaces incorporating creative content.

The AI Training Data Paradox

European AI systems are being built substantially on the creative output of European artists, writers, musicians, and filmmakers – without consent or compensation. A sovereign European AI that harvests creative labour to build systems that then compete with the creators who produced the training data is not a European alternative. It is the same problem with a different flag. (Trautenberger, 2026, p.7)

3. Recommendations

The following recommendations are addressed to the European Commission, the European Parliament, the Council of the EU, Industry and Innovation policy makers and the industry bodies convening around the EuroStack initiative and beyond. They are designed to be specific, achievable, and proportionate to the scale of the identified gap.

Recommendation 1: Acknowledge CCI as Critical Innovation Infrastructure

The European Commission, the European Parliament, and the Council of the EU should **formally recognise Cultural and Creative Industries as Critical Innovation Infrastructure** – a designation that reflects the structural role CCI play in the European digital economy and places them within the regulatory and funding frameworks currently reserved for sectors of strategic importance. This recognition requires **CCI to be formally classified alongside other strategic sectors in European industrial policy instruments, triggering eligibility for relevant investment mechanisms, procurement conditionality frameworks, and mission-oriented public funding under**



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criteria adapted to the specific economic structure of the creative sector. The political basis for this step already exists: the Horizon Europe framework recognises cultural production as central to European resilience (European Commission, 2021a), the Letta report (2024) called for CCI to be treated as a strategic sector, and the Draghi competitiveness report (2024) identified content industries as a dimension of European strategic autonomy. **What is missing is not recognition but structural translation** – the conversion of dispersed political signals into binding governance architecture with enforceable consequences. As Trautenberger (2026) argues, the business model of European digital platforms, consumer services, and distribution networks depends structurally on the content that populates them: a digital economy without a functioning creative content layer is not a complete digital economy, and acknowledging CCI as Critical Innovation Infrastructure is not an act of cultural generosity but one of industrial policy accuracy.

Recommendation 2: Integrate CCI Representation into EuroStack Governance Architecture

Any EuroStack governance body, advisory forum, or multi-stakeholder process – whether at Commission, Parliament, or Member State level – **should include formally designated seats for Cultural and Creative Industries sector representatives**, appointed through existing European CCI umbrella organisations. This is not a gesture of inclusivity. *It is a structural requirement that follows from the analytical argument: if CCI constitute a foundational layer of the European digital stack, their exclusion from the governance of that stack is an architectural error with direct policy consequences.* The principle applies at every level – the European Commission's coordination mechanisms, the Parliamentary caucuses developing EuroStack policy, the industry coalitions such as the one convened by Caffarra et al. (2025), and any EuroStack Fund oversight structure. The content creators, producers, and cultural organisations that populate European digital infrastructure with meaning must be present in the rooms where decisions about that infrastructure are taken. CreativeFED will seek formal standing within the CreativeStack Interest Group and, through it, in all EuroStack governance processes in which CCI interests are at stake.

Recommendation 3: Establish a CCI-Specific Funding Window in the EuroStack Fund

The EuroStack Fund proposed by Caffarra et al. (2025, pp.14–18) **should include a dedicated window for Cultural and Creative Industries digital infrastructure investment**, designed with eligibility criteria appropriate to the specific economic structure of the creative sector rather than adapted from enterprise IT or semiconductor funding models. *European CCI are overwhelmingly composed of SMEs and freelance practitioners whose financial and administrative profiles do not match the threshold requirements of most existing industrial policy instruments* – a misfit that has historically excluded them from precisely the programmes most relevant to their digital development (OECD, 2020). **A CCI-specific window would enable investment in content distribution systems**, European streaming and gaming platforms, digital publishing and archive infrastructure, and the digitisation of cultural heritage that underpins the content layer of the European digital economy. The eligibility criteria should reflect the realities of cultural production: project-based income structures, rights-based business models, the centrality of intellectual property rather than physical capital, and the disproportionate presence of micro-enterprises and sole traders. *Funding should be available both for infrastructure-scale investments – European streaming and*

distribution platforms capable of competing with US services – and for the smaller-scale digital capacity building that enables individual creators and cultural organisations to participate in the European digital market on viable terms.

Recommendation 4: Establish Mandatory Consent and Fair Compensation Frameworks for AI Training Data

All European AI governance instruments – including the AI Act implementing regulations, the AI Liability Directive, and any **European data spaces that incorporate or are built from creative content** – *must establish the principle of mandatory, informed, and fairly compensated consent for the use of CCI-produced content as artificial intelligence training data.* This principle must apply without exception to both publicly funded AI development and commercial AI systems operating within the European market. As it is well documented, *AI systems have been built substantially on the creative output of European writers, musicians, visual artists, filmmakers, and game designers – in the overwhelming majority of cases without consent, compensation, or any mechanism through which rights-holders could participate in governance decisions about how their work is used. This is not a legal ambiguity. It is a policy failure.* The EU AI Act provides the legislative vehicle for correcting it within the current institutional cycle. CCI organisations should hold formal stakeholder seats in all AI governance processes that touch on content and training data, including the AI Office's multi-stakeholder advisory structures and the Technical Committee processes under the AI Act. A sovereign European AI that is built on unlicensed European creative heritage is not an alternative to the extractive model it seeks to replace. It is the same model with a different flag.

Recommendation 5: Convene a CreativeStack Interest Group

CreativeFED calls on the European Commission, relevant Member State governments, and the industry coalitions active in the EuroStack initiative to **support the formal convening of a CreativeStack Interest Group which span the whole Cultural and Creative Ecosystem:** a structured, standing policy forum in which CCI organisations, individual creative practitioners, cultural institutions, and sector experts engage with the EuroStack agenda on equal institutional terms with technology industry actors. The Interest Group should be empowered with three specific capacities: **first**, *to provide formal written and oral input into EuroStack governance processes, funding criteria, and eligibility framework decisions;* **second**, *to contribute CCI-specific analysis and evidence to the AI Act implementing regulations, AI Liability Directive proceedings, and all data governance instruments that touch on creative content;* and **third**, *to serve as the recognised CCI interlocutor for the EuroStack industry coalition, the Commission's digital economy directorate, and the relevant Parliamentary committees.* The Interest Group is, rather, the institutional infrastructure through which CCI participation in the EuroStack becomes self-sustaining: a permanent channel rather than a one-time consultation. CreativeFED is prepared to take the lead in its convening and invites organisations, education providers, innovation organisations, companies, and individuals across the full range of European creative sectors to register their interest at info@creativefed.eu.

The infrastructure is being built. The content must be European. The creators must have a voice.

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Already Inside the Studio

AI, Creative Industries, and the Policy Gap That Cannot Wait

Abstract

Europe's cultural and creative industries stand at a defining moment. **Artificial intelligence** is not arriving at the door of the creative sector – **it is already inside every Studio, Office or Workspace**, *reshaping how music is composed, how stories are told, how images are made and how the next generation of practitioners will learn their craft*. This chapter argues that this moment, for all its complexity, is **one of opportunity as much as risk** – and that *Europe has both the values and the instruments to shape the transition* in ways that serve its creative communities rather than simply disrupt them.

Drawing on the CreativeStack Creativity–AI Nexus framework, the chapter *maps three distinct modalities of human–AI creative interaction*. In the **deductive mode**, creative talents **embed context and cultural intent into Deep Data** sets, shaping the values that underpin AI systems. In the **inductive mode**, they **draw on Wide Data** – *large-scale generative outputs that become raw material for new work*. In the **abductive mode**, *meaning emerges through an iterative exchange*: By this mode **Living Data, or Relational Data, is created in the act of co-creation** between human practitioner and AI. These three modalities frame the chapter's examination of four interconnected dimensions: **authorship and attribution, provenance and trust, the rights of creators** whose work feeds AI systems, and the **livelihoods and learning pathways** of Europe's creative workforce. Each section finds real and urgent challenges. It also finds, in the European Parliament's March 2026 copyright resolution, in the GEMA v. OpenAI ruling, in initiatives such as CREDEX and CYANOTYPES, and in the CreativeStack initiative itself, the beginnings of a credible European response.

This part of the white paper closes with eleven policy recommendations for AI and creative work. Together they make a single argument: that a Europe capable of anchoring its cultural and creative industries as Critical Innovation Infrastructure will be not only more sovereign, but more itself.

Keywords: Artificial Intelligence, Cultural and Creative Industries, CreativeStack, Creativity–AI Nexus, Digital Sovereignty, Copyright, Authorship, Provenance, Creative Workforce, Micro-credentials, Critical Innovation Infrastructure, European Competitiveness Compass, EU AI Act



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1. AI is already inside the studio

The debate about artificial intelligence and the creative industries is too often framed as a question about the future: what might happen, what could be lost, what may yet be gained. That framing is already out of date.

AI is not approaching Europe's cultural and creative industries – it has arrived. Composers use generative tools to explore harmonic structures and test formal options within a score. Game designers deploy AI to populate worlds and compress production timelines that would otherwise be commercially unviable. Publishers experiment with AI-assisted editing and translation across language markets. Visual artists run diffusion models as part of concept development and research. Architects generate design options before a single committed decision has been taken. Across sound, text and image – the three core domains of creative production – the technology is already embedded in professional practice (European Commission, 2022; UNESCO, 2025).

What is less widely understood is the nature of that embedding. The CreativeStack initiative (CreativeFED, 2026) proposes a conceptual framework – the Creativity–AI Nexus – to map the distinct ways in which human creativity and artificial intelligence interact in professional creative practice. The framework **identifies three modalities: deductive, inductive and abductive**. Each describes a different relationship between the human creator and the AI system, a different kind of data it produces or draws on, and a different set of creative, legal and ethical consequences. These modalities matter for policy because *they map very differently onto questions of authorship, ownership and labour – and because they cannot be addressed by a single regulatory instrument*.

In the first, **deductive mode**, the direction of influence *runs from the human to the machine*. Artists, curators and cultural institutions *deliberately structure AI systems by embedding values, cultural intent and contextual knowledge* into the data that underpins them – **curating, annotating and contextualising** material to ensure the AI reflects specific cultural orientations and ethical commitments. The data produced in this modality is what the CreativeStack framework terms **Deep Data**: not simply large or comprehensive, but *rich with meaning, provenance and cultural specificity*. A musician curating a dataset of regional folk recordings with detailed contextual metadata, or a collective developing ethical taxonomies for AI systems working in a specific language or tradition – these are all examples of cultural intentionality that has been structurally embedded. The **principal risk is rigidification** – *embedding a cultural perspective so firmly that it becomes difficult to revise*. The value is the inverse: intentionality and cultural alignment that can be documented, defended and attributed.

In the second, **inductive mode**, the *direction of influence is reversed*. AI systems trained on vast, cross-cultural datasets generate outputs that *creative practitioners take as raw material, exercising their judgement at the point of selection, transformation and integration*. Designers identify which AI-generated possibilities carry potential; composers select melodic variations worth developing; writers generate structural options and rewrite them entirely. The **craft lies in the editorial eye** – the capacity to recognise value in AI output, understand its biases, and *transform it into something with genuine creative intent*. The data on which this mode draws is what the framework terms **Wide Data**: expansive and statistically representative of an enormous range of sources – in most cases, the aggregated creative output of innumerable practitioners taken without their consent or knowledge. The principal risk is homogenisation: outputs that tend toward the average at the expense of the rare and the culturally specific. That is also where the central ethical problem of current AI development is located – a point to which this chapter returns in section 2.3.

In the third, **abductive mode**, *neither the practitioner nor the AI holds the primary creative role*. Meaning is generated through an **iterative, interpretive exchange**: *the AI proposes possibilities, the human creator responds, reframes and re-prompts, and through successive cycles something takes shape that neither could have produced alone*. The term derives from Charles Sanders Peirce's concept of abductive reasoning – the generation of hypotheses that account for observed phenomena, distinct from both deductive rule-application and inductive pattern-generalisation (Peirce, 1903). The data characteristic of this mode is what the framework terms **Living Data** or **Relational Data** – emergent, dynamic, constituted through the relationship itself rather than pre-existing it. A score developed through iterative dialogue between a composer and a generative music system, or a screenplay whose structure evolved through successive rounds of AI-assisted brainstorming and human redirection, are instances of the abductive mode. The primary risk is the difficulty of documenting, attributing and reproducing what emerged. The value is its openness – the capacity for speculative innovation that neither party could have mapped alone that neither party could have reached separately.

These three modalities are not mutually exclusive, and most practitioners move between them depending on the project, the tool and the moment. What they share is a fundamental challenge to the assumption – implicit in much AI regulation to date – that the relationship between technology and the creative act is simply one of tool and user. The CreativeStack framework positions AI and human creativity as co-evolving forces, and argues that Europe's digital sovereignty agenda is incomplete so long as it addresses the infrastructure of that relationship without addressing its cultural content.

These modalities matter for policy because **they map very differently onto questions of authorship, ownership, and labour** – the three axes around which the rest of this chapter is structured. What they share is a fundamental challenge to the assumption, *implicit in much AI regulation to date, that the relationship between technology and the creative act is one of tool and user*. The CreativeStack framework positions **AI and creativity as co-evolving and interdependent forces** – and argues that Europe's digital sovereignty agenda is incomplete so long as it addresses the infrastructure of that relationship without addressing its cultural content.

Europe's creative sector is not a monolith. It is built predominantly from micro-enterprises and SMEs – a film production house of eight people in Łódź, a music publisher with three staff in Valletta, an independent game studio in Tallinn. *These are the actors who face AI's transformations with the least institutional protection and the fewest resources to adapt*. Any **policy framework that does not account for their specific position** will serve the sector's largest players while leaving its most numerous ones behind.

2. The question of credit: authorship, influence, attribution and provenance

When a composer uses an AI system to generate melodic variations and selects among them, when a novelist uses a language model to draft structural options before rewriting them entirely, when a visual artist feeds hundreds of reference images into a *generative tool and shapes the output into a final work* – at what point, precisely, does the AI become something more than an instrument? And who owns what results? This section of the CreativeStack White paper aims to explore the questions related to AI and creative production: **Authorship** and *who is credited for the work*, **Influence** *about the use or not-use of copyright materials*, **Attribution** *of new co-created and relational work* and finally the question of **Provenance** *knowing the origin and sources of trusted creative work*.

These are not abstract philosophical controversies. They are live legal questions with direct consequences for the work and livelihoods of Europe's creative professionals, and regulations and law has not kept pace with the practice. Under current EU copyright doctrine, **protection requires meaningful human authorship.** *The work must originate from a human being's own intellectual creation.* That principle is well-established and, in broad terms, right. But it was not designed for a world in which a practitioner's creative decisions are increasingly inseparable from the AI systems they direct. **The line between human expression and machine generation is becoming harder to draw** – not because creators are becoming less creative, but because the tools they use have become active participants in the creative process.

The European Parliament addressed this directly in its March 2026 resolution on copyright and generative AI, adopted by 460 votes to 71. *The resolution calls for mandatory transparency from AI model providers about the copyrighted content used in training, effective opt-out mechanisms for rights-holders, and clear labelling of AI-generated outputs* (European Parliament, 2026). These are important steps. But the resolution leaves open the deeper question: *how should the creative contribution of a human practitioner who works with AI – directing, selecting, refining, rejecting – be recognised and compensated?*

The European Copyright Society, in its 2025 opinion on generative AI, *notes that the current framework risks producing a category of creative work that is too human to be unprotected and too algorithmic to be clearly attributed* – a gap that platforms and AI developers are well-positioned to exploit, and that individual creators are not (European Copyright Society, 2025).

Attribution is not only a legal matter. Equally important is **provenance**: *knowing where a work comes from, what materials shaped it, and which human and technological actors were involved in its making.* In an age when AI systems can produce outputs that closely resemble, recombine or **build upon existing creative works** – often without any visible trace – *provenance becomes a condition of trust*, both for markets and for culture. The CreativeStack initiative **proposes attribution and provenance ledgers** as a practical mechanism: structured metadata systems that embed the origin, authorship and transformation history of creative works directly into the digital infrastructure through which they circulate (Trautenberger, 2025). Without such systems, the cultural record is incomplete, moral rights are unenforceable, and the value of creative labour becomes impossible to trace.

3. Creative work as raw material: the training data problem

Every AI system capable of generating text, music, images or code has been trained on others **creative work.** *In most cases, that work was taken without the knowledge of those who made it, without their consent, and without payment.* This is not a technical footnote to the AI story. It is the central economic fact of the current moment for Europe's cultural and creative industries.

The legal framework that was supposed to govern this – the text and data mining exception introduced under the EU's 2019 Digital Single Market Directive – **permits the automated analysis of** lawfully accessed content for the purposes of research and commercial application, **subject to a rights-holder opt-out.** In practice, the opt-out mechanism has proven difficult to implement at scale, technically inconsistent across sectors, and poorly enforced. The consultation on machine-readable opt-out protocols launched by the European Commission in late 2025 acknowledges as much (European Commission, 2025).

The consequences are not abstract. In June 2024, the Recording Industry Association of America filed suit on behalf of Universal, Sony and Warner against Suno and Udio – two AI music generation platforms – alleging the mass copying of songs to train their models (RIAA, 2024). In

November 2025, the Munich Regional Court issued a landmark ruling in *GEMA v. OpenAI*, finding that the memorisation of song lyrics by a large language model constitutes copyright infringement, and that the text and data mining exception does not cover the later stages of model deployment (Munich Regional Court I, 2025). The *Getty Images* case in the English High Court, decided the same month, added further complexity to the legal landscape, finding that model weights do not constitute infringing copies while leaving other questions unresolved (English High Court, 2025).

The pattern across these cases is consistent: **creative industries are fighting, case by case, to establish that their work has value that cannot be extracted without consequence.** They are winning some of those arguments. But litigation is not a sustainable substitute for a regulatory framework that treats creative content as what it is – not raw data, *but the product of human skill, imagination and labour, deserving of protection and fair compensation from those who profit from it.*

4. The AI Act: a framework in the making, and where it falls short

The **European Union's AI Act** is the most comprehensive attempt yet by any jurisdiction to regulate artificial intelligence as a systemic force, rather than addressing its applications one by one. For *Europe's cultural and creative industries*, it represents **both a genuine step forward and a significant missed opportunity** – and understanding both is essential to knowing what must still be fought for.

The AI Act's provisions on General Purpose AI models came into force in August 2025. Under Article 53, providers of GPAI models are required to maintain technical documentation of their training processes, comply with EU copyright law, and publish a summary of the content used to train their models. The General Purpose AI Code of Practice, published in July 2025, translates these obligations into operational guidance and establishes a framework for machine-readable opt-out protocols – mechanisms through which rights-holders can signal that their work should not be used in AI training (European Commission, 2025).

On paper, these are meaningful provisions. In practice, **a broad coalition of European rights-holder organisations** – representing authors, composers, performers, publishers and visual artists – **has stated clearly that the current implementation falls short.** In a joint statement coordinated through IFPI and CISAC, the coalition concluded that the final measures fail to ensure that creative work will be used with transparency, consent, or remuneration, despite extensive good-faith engagement from the creative communities during the drafting process (IFPI/CISAC, 2025). Culture Action Europe has similarly identified implementation gaps and called for stronger enforcement mechanisms (Culture Action Europe, 2025).

The core problem is structural. *The AI Act was designed primarily around risk categories and enterprise AI systems.* The **specific concerns of individual creators, small rights-holders and cultural SMEs** – *who lack the legal resources to exercise opt-out rights at scale or monitor compliance with transparency obligations* – **were not adequately centred in its design.** A regulation built around the capacities of large institutional actors will, by default, serve those actors' interests.

The CreativeStack position is direct: **the AI Act's copyright provisions must be strengthened** in implementation, not weakened. *Opt-out protocols must be technically accessible to individual practitioners, not only to large collecting societies.* Transparency summaries must be meaningful, not formulaic. And the cultural and creative industries must have a seat in the governance bodies where these standards are set and revised.

5. New skills, new roles: building the next generation of European creative talent through Micro- Credentials

The arrival of **AI in the cultural and creative industries is reshaping not only how work is done, but who is needed to do it, and how the skills required are acquired.** The structural transition is uneven and, for many practitioners, genuinely difficult to master. But it also opens a question that Europe has both the capacity and the responsibility to answer: **what does a creative career look like when AI is a collaborator**, and how do we build the pathways that lead there?

The immediate pressures are real and should not be minimised. Voice actors, translators, background composers, stock illustrators and junior animators are among those **whose established workflows are most directly disrupted** by generative tools that produce serviceable output at near-zero marginal cost. Research by Erickson (2024) found that in *AI-enabled creative production, human contribution is frequently rendered invisible – present at every stage, but uncredited and undervalued.* The International Labour Organization has identified the same pattern at scale: the human labour that sustains AI systems is systematically obscured, distorting the perceived value of creative work (ILO, 2025).

Yet alongside **roles that are shrinking, new ones are emerging.** *AI systems require human creative direction, curatorial judgement, ethical oversight and cultural contextualisation – Transversal Skills – skills that are, at their core, the skills of the trained creative practitioner.* The Cyanotype Project (Cyanotypes 2025), an Erasmus+ funded is building an Educational Framework which **defines urgent and future skills needs** for creative talents and **provide a training path for future Transformation agents** who helps Business and Society to tackle the triple transition. The question is whether Europe's creative workforce will be equipped to step into those roles, or whether the transition will be left to chance.

There is one structural problem that makes this urgent above all others. **The grinding, repetitive work that interns and junior practitioners have always done – and crucially, always learned from – is now being absorbed by AI.** The entry-level job and the *learning pathway disappear at the same time.* If left unaddressed, this will not only harm a generation of emerging talent; it will hollow out the foundations from which the next wave of European creative excellence grows. **One practical mechanism already being developed at European level is the micro-credential (Credex 2026).** Unlike traditional qualifications, micro-credentials are short, targeted units of learning – focused on a specific skill, tool or practice – that can be **accumulated over time, stacked into larger qualifications**, and recognised across EU member states. For a sector built on freelance careers, project-based work and lifelong learning, this model is particularly well suited. The CREDEX initiative, funded under the Erasmus+ programme, is developing precisely this kind of framework for cultural and creative professionals: *a system for designing, certifying and mutually recognising CCI-specific micro-credentials that are portable across borders and stackable into recognised career pathways (creative-credex.eu).* Investing in this infrastructure is not optional it is a necessity like investing in transport system. It is how Europe ensures that the skills transition demanded by AI does not become a further mechanism of exclusion for those who cannot access or afford conventional retraining.

The response cannot be incremental. **It requires new educational models –** ones that embed AI literacy alongside craft, that teach practitioners to direct and shape AI systems rather than simply use them, and that recognise the abductive, co-creative mode of working as a skill in its own right. The CreativeStack initiative places this at the heart of its agenda: developing competence frameworks and training pathways, co-designed with practitioners and institutions, that prepare

Europe's next generation of creative talent not to compete with AI, but to lead with it (Trautenberger, 2025).

6. What European policy must address and recommendations

The preceding sections make clear that the **relationship between artificial intelligence and Europe's cultural and creative industries is not a future policy challenge**. It is a present one, already reshaping creative practice, legal frameworks, labour markets and learning pathways. The policy response must match that urgency.

Five things are needed. **First, the AI Act's copyright provisions must be strengthened in implementation: opt-out protocols made technically accessible to individual creators, not only to large institutions; transparency summaries made meaningful, not formulaic. Second, a fair compensation framework for rights-holders whose creative work feeds AI training must be established** – building on the precedent set by GEMA v. OpenAI and the European Parliament's March 2026 resolution. **Third, investment in CCI-specific reskilling and micro-credential infrastructure must be treated as a strategic priority, not a residual budget line** – supporting initiatives such as CYANOTYPES and CREDEX at the scale the moment demands. **Fourth, the entry-level pipeline must be actively protected: public funding for traineeships, apprenticeships and junior roles in the creative sector; so that the learning pathways AI is eroding are rebuilt by design. Fifth, and most fundamentally, the cultural and creative industries must have a permanent seat at the governance tables where AI policy is made** – in the EU AI Office, in the GPAI Code working groups, and in the committees shaping the next revision of the Digital Single Market.

A digital sovereignty agenda that speaks for European values but excludes the industries that produce European culture is not sovereign. It is incomplete. The following recommendations emerge directly from the analysis in this chapter. They are addressed to the European Commission, the European Parliament, and EU Member States, and should be read alongside the broader CreativeStack position on anchoring cultural and creative industries as Critical Innovation Infrastructure within the European Competitiveness Compass.

7. Recommendations

On copyright, attribution, provenance and governance

1. Establish a fair compensation mechanism for rights-holders whose creative work is used in AI training data, drawing on the legal precedent set by GEMA v. OpenAI (2025) and the mandate of the European Parliament's March 2026 resolution on copyright and generative AI.
2. Require clear labelling of AI-generated or AI-assisted content across all distribution platforms, and develop sector-specific standards for attribution and provenance in collaboration with CCI representative bodies.
3. Support the development and adoption of attribution and provenance ledgers – structured metadata systems that embed authorship and transformation history into creative works circulating in digital infrastructure.
4. Guarantee permanent representation of the cultural and creative industries in the EU AI Office, the GPAI Code of Practice working groups, and all bodies shaping the implementation and revision of the AI Act.

On skills, workforce and the next generation

5. Designate CCI workforce transition as a priority investment area under the European Social Fund and Erasmus+ programmes, with dedicated funding streams for reskilling and AI literacy for creative practitioners.
6. Fund the scaling of CCI-specific micro-credential frameworks – including CREDEX and CYANOTYPES – to European level, with mutual recognition of credentials across all Member States built in from the outset.

7. Introduce targeted public funding to protect and rebuild entry-level creative roles – traineeships, apprenticeships and junior positions – as the primary mechanism through which creative skill is transmitted to the next generation.
8. Commission a Europe-wide observatory on AI's labour market impact on CCI, reporting annually, to provide the evidence base for ongoing policy adjustment.

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From Cost to Value: Unlocking Public Markets for Creative Innovation

Unlocking Public Markets through Creative Smart Procurement and Fair Pay

Abstract:

Public procurement is one of Europe's most powerful and most underutilised instruments for societal transformation. In the Netherlands alone, public organisations spend approximately €85 billion annually – yet **procurement policy across most EU Member States remains primarily oriented toward cost-effectiveness** and predefined end-products, structurally **incapable of generating the transformative responses** that complex challenges such as the green transition, sustainable healthcare, and liveable cities require. This paper makes the case for **creative smart procurement**: a design-driven, challenge-first approach that commissions outcomes rather than specifications, and that opens the procurement process to genuine cross-sectoral collaboration with Cultural and Creative Industries (CCIs).

Innovation-oriented procurement, as defined here, begins not with a product but with a problem whose solution remains intentionally open – requiring iterative, experimental, human-centred responses of precisely the kind that creative methodologies such as service design, co-creation, serious gaming, and systemic design are built to provide. Yet rigid procurement frameworks continue to exclude creative micro-enterprises from public tenders, and fair compensation for design-intensive dialogue phases remains the exception rather than the rule. Drawing on the PONT guide for innovation procurement and empirical research on Dutch local government procurement practice, this paper proposes four policy actions: **implementing flexible, innovation-friendly procurement procedures; embracing dialogue-based processes within existing legal frameworks; stimulating cross-sectoral co-creation through coordinated public commissioning; and advocating for European procurement reform** that recognises non-technological innovation and enshrines fair pay obligations. The legal space to act already exists. What is required is the institutional will, the new internal roles, and the cross-government coordination to use it.

Keywords: Public procurement policy, innovation procurement, Cultural and Creative Industries (CCIs), value-based procurement, fair remuneration, Pre-Commercial Procurement (PCP), public market access



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1. Introduction

To effectively address complex societal challenges – sustainable healthcare, liveable cities, the green transition – **governments must transition towards creative smart procurement**. *Rather than purchasing predefined end products, this requires a flexible, design-driven approach that encourages cross-sectoral collaboration between the Cultural and Creative Industries (CCIs) and public authorities.* [1]

Innovation-oriented procurement means *purchasing products, services or approaches that do not yet exist in their final form, are not yet proven, or are not yet applied at scale*. The outcome of the process remains open. This requires a fundamentally different process than regular procurement – one that starts not with a fixed end-product but with a challenge and a desired effect. [2]

The urgency is underlined by quantitative evidence from the Netherlands: public organisations spend around 85 billion euros annually. **Their significant spending power gives them substantial influence over markets**, *which they can leverage to address green, digital and societal issues*. Yet despite this scale, procurement policies in many EU member states remain primarily focused on cost-effectiveness – and environmental goals are not being met at this pace. [3]

EVIDENCE FROM THE NETHERLANDS

Research by Scholman (University of Twente, 2024) found that while Dutch local governments have joined the national MVOI programme for socially responsible procurement, results have been disappointing. By 2022, the Netherlands had reduced emissions by only 30.5% against a 2030 target of 55%. Interviews with ten procurement professionals across municipalities, provinces and regional water boards confirmed that the procurement function is still predominantly cost-driven, with employees willing to act but lacking guidance, coordination and institutional support.

2. The Case for Value-Based Creative Procurement

Traditionally, **public procurement has been transactional and cost-focused**. *However, it has evolved into a strategic tool for achieving societal goals – moving from purely fulfilling organisational needs through compliance and efficiency, towards value creation for society and ultimately collaborative value creation with citizens and other public actors.* [3]

The *Cultural and Creative Industries (CCIs) occupy a distinctive position in this evolution*. Their methodologies – **service design, co-creation, serious gaming, systems thinking** – *are precisely the tools that address the kind of complex, human-centred challenges that cannot be solved by purchasing off-the-shelf solutions*. Yet rigid procurement rules continue to exclude creative micro-enterprises and consortia from public tenders.

There is also a crucial **link between public commissioning and working conditions** in the creative sector. *Public tenders can serve as a strong mechanism to enforce fair pay and fair practice frameworks*. Integrating social and cultural criteria into procurement ensures sustainable revenue streams for creators – and the PONT guide explicitly advises procurers to consider fair compensation for parties participating in time-intensive dialogue or design phases.

THE MICRO-ENTERPRISE GAP – HET FINANCIEELE DAGBLAD, APRIL 2026

An analysis of over half a million Dutch companies by data firm Innovatiespotter, published in Het Financieele Dagblad (Smit & Veering, 7 April 2026), reveals a structural paradox: micro-enterprises (fewer than 10 employees) represent the largest group of innovative businesses (45%) yet make the least use of government innovation programmes. Of an estimated 60,000 innovative micro-enterprises, only 5,200 apply for subsidies. They get lost in a labyrinth of over 300 national, European, regional and local schemes. Support policy is predominantly oriented towards starters and fast-growing companies – leaving established creative micro-enterprises systematically excluded. Lector Lex van Teeffelen (Hogeschool Utrecht) notes that micro-enterprises typically innovate entirely on their own account. VNO-NCW chairman Erik Ziengs identifies them as an underestimated group: they know their market and can develop solutions, but are often unaware of what support exists or realise too late that they need to act. This gap is directly relevant to creative smart procurement: if public tenders are designed with administrative burdens calibrated for larger firms, the most innovative segment of the CCI market is structurally locked out.

STRUCTURAL BARRIER IDENTIFIED

Scholman's research reveals a structural mismatch: the financial constraint of implementing sustainable or innovative procurement is widely cited as a barrier, while the evidence suggests the long-term return – resource efficiency, social value, circular economy gains – consistently outweighs short-term costs. The same pattern applies to creative procurement: upfront investment in a design process produces superior public outcomes compared to purchasing a predefined product.

3. A Practical Roadmap for Creative Smart Procurement

The following process draws on both the PONT procurement guide and Scholman's empirical findings to reflect best practice for commissioning a design-led approach within existing legal frameworks: [2][3]

Phase 1: Problem Definition

- Conduct stakeholder needs analysis
- Formulate the challenge – not the solution
- Involve designers early: internally or via a scoping assignment
- Consult procurement experts at your organisation's IUC
- Assign a Data Manager to establish baseline metrics

Phase 3: Tender & Dialogue

- Define problem statement, assessment criteria, and iterative process
- Allow for dialogue, negotiation or competitive dialogue phase
- Include design-specific criteria: creativity, feasibility, impact
- Consider a prototype or concept phase for technical solutions

Phase 2: Market Consultation

- Invite potential providers to a consultation session
- Explore what the market can offer
- Test whether your criteria are realistic and proportionate
- Ensure all parties receive identical information
- Communicate sustainability / quality expectations clearly

Phase 4: Selection & Contracting

- Use a multidisciplinary panel (procurement + design expertise)
- Award on price-quality ratio with weighted design criteria
- Clarify intellectual property rights in the contract
- Agree on fair remuneration for all participating parties
- Set measurable outcome milestones and monitoring schedule

4. Conclusion

By **structurally anchoring creativity and fair compensation in public procurement systems**, Europe can transform its procurement budgets into a strategic instrument – activating the full potential of the CCIs as indispensable partners in public sector renewal. The legal space to do this

already exists within European and national procurement law. What is needed is the willingness to pioneer within the rules, and the institutional support – including new roles, skills and coordination structures – to do so. [1][2][3]

5. Recommendations

To fully open public markets to creative innovation and ensure fair compensation, this White Paper recommends the following four policy actions:

Recommendation 1: Implement Flexible Procurement Frameworks

Public authorities should actively utilise innovation-friendly procedures. The PONT guide provides a practical decision tree and overview of methods suited to design-led approaches. These include: [2]

- **Pre-Commercial Procurement (PCP):** enables governments to share risk and benefit during R&D phases, before commercial products exist.
- **Innovation Partnerships:** allow public buyers to jointly develop a new product or service with a supplier, covering development and subsequent purchase in a single procedure.
- **Innovation Impact Challenge** (formerly SBIR): a phased, competitive approach in which companies develop and test new solutions in response to a public challenge. Phase 1 covers feasibility; Phase 2 covers prototype development and testing. [2]
- **Startup in Residence:** a programme model used by municipalities such as Amsterdam, in which startups test innovative solutions within the public organisation over roughly six months – with a procurement structure already in place so that successful solutions can be directly procured after the pilot. [2]

Scholman's research further supports the need for new internal roles to make these frameworks operational. **Three roles are proposed** based on empirical evidence from Dutch local governments:

- a **Data Manager** to maintain reliable organisation-wide data for measuring procurement outcomes; a
- **Technology Integration Specialist** to guide staff in using tools such as AI safely and effectively; and an
- **Environmental Strategy Manager** to coordinate sustainability demands with contractors and peer governments, set measurable goals, and improve cross-government communication. [3]

Recommendation 2: Pioneer Within the Rules – Embrace Dialogue Procedures

While core procurement principles – equal treatment, transparency, non-discrimination, proportionality – must be strictly maintained, procurers should allow more space for iterative research and dialogue. Two procedures are particularly well-suited to design-driven approaches: [2]

Competitive Dialogue

- 3–5 market parties invited
- Dialogue phase: parties present solution directions
- Best approach selected; formal tender issued
- High flexibility for iterative refinement
- Above and below EU threshold
- Time-intensive but very well-suited to design approaches

Negotiated Procedure with Inscription

- Open call; selected parties enter negotiation
- Refine design, conditions and specifications together
- Faster than competitive dialogue
- Open inscription phase with dialogue (inschrijvingsfase met dialoog)
- Above and below EU threshold
- Good fit for design-led commissioning

A **market consultation prior to the formal tender helps test whether criteria are realistic and reveals what the market can offer**. All parties must **receive identical information** to preserve equal treatment. **Adopting an enrollment phase** with dialogue enables public buyers and creative professionals to collaboratively explore solutions – rather than ticking predefined boxes. [2]

Recommendation 3: Stimulate Cross-Sectoral Co-creation

Funding should be directed towards programmes that **embed the CCIs into the strategic design of public services**. Creative methodologies address exactly the kind of complex societal challenges that cannot be specified in advance:

- **Serious gaming** for healthcare outcomes and behaviour change
- **Service design and journey mapping** for urban planning and citizen engagement
- **Co-creative storytelling** for democratic renewal and policy communication
- **Systemic design** for green transition and circular economy challenges

Cross-government cooperation amplifies this effect. Scholman found that local governments recognise the value of pooling procurement power – when combined tenders were used, suppliers became significantly more willing to meet sustainability and innovation demands. The same logic applies to creative procurement: coordinated commissioning across municipalities creates a viable market signal for CCIs to invest in public-sector-focused capacity. [3]

PRACTICE EXAMPLES

The DJI (Dutch Prison Service) embedded a team of ten external designers into its innovation process, using design as a lever for improving daily working practices in youth institutions and forensic clinics. The Dutch Tax and Customs Administration created a dedicated social service design lot within a framework agreement – enabling design research to be commissioned flexibly across multiple years without repeated tendering.

Recommendation 4: Advocate for Stronger European Frameworks

The **creative sector must actively push for the adaptation** of European public procurement rules to better accommodate the realities of creative businesses and non-technological innovation.

Specific priorities include:

- **Reducing administrative burdens** for micro-enterprises and solo practitioners – research shows only ~8% of innovative micro-enterprises access available government innovation support, due to scheme complexity [7]
- **Recognising qualitative, social and cultural value** in award criteria – not only price
- **Enshrining fair pay** obligations and intellectual property clarity within procurement law
- **Enabling two-phase tendering and framework agreements** with design-specific lots as standard practice
- **Standardising sustainability demands** across local governments to create unified market signals

Creative smart procurement is not just a purchasing method – it is a policy instrument for social innovation, cultural sustainability, and equitable economic participation. Europe's public authorities have both the tools and the responsibility to lead this transformation.

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The Funding Paradox for CCIs

How Europe's Most Innovative Sector Is Locked Out of Its Own Innovation Funding

Abstract:

Europe's cultural and creative industries represent 4.4% of EU GDP (EY 2015), employ twelve million people, and are overwhelmingly composed of small and micro-enterprises – over 60% of all CCI businesses operate Solo or with fewer than ten employees. They are also **among the least able to access the public funding instruments** designed to support European innovation, research, and development. This paper argues that **this exclusion is not incidental – it is structural**, and it is built into the architecture of EU funding itself.

Four programmes dominate the funding landscape most relevant to CCIs: **Horizon Europe, Creative Europe, CERV, and Erasmus+**. Each operates according to a distinct and coherent logic – **technological innovation, cultural production, civic values, and educational mobility** respectively. *None of these logics adequately captures how creative enterprises actually work, innovate, or generate value.* The result is a sector that simultaneously embodies all four programme rationales and fits none of them completely enough to access any in full.

The paper **examines each programme's structural misalignment** with CCI realities: *Horizon's inability to recognise practice-based innovation; Creative Europe's indifference to entrepreneurial development; CERV's distortion of creative identity into civic framing; and Erasmus+'s fundamental inaccessibility for micro-enterprises that cannot afford to pause.* It documents the administrative and financial cost of participation – estimated at approximately €40,000 per consortium proposal – and the compounding effect of AI on an already unequal landscape, as well-resourced actors gain further competitive **advantage through AI-assisted applications.**

The analysis is grounded in data from the CreativeFED Stakeholder Survey (2025) and situated against the proposed 2028–2034 Multi-Annual Financial Framework, which *threatens to deepen existing exclusions by removing culture from dedicated structural positions* within the successor to Horizon Europe. The paper concludes with policy recommendations focused on **recognising creative innovation on its own terms, reducing the cost of participation, mandating dedicated CCI funding instruments, and securing culture's institutional place** in the next EU budget cycle.

Key Words: Cultural and Creative Industries (CCIs), EU funding architecture, Horizon Europe, Creative Europe, CERV, Erasmus+, structural exclusion, practice-based innovation, micro-enterprises, Multi-Annual Financial Framework (MFF), access to finance, EU research and innovation policy, generative AI, creative economy, policy reform



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1. Four Programmes, One Sector Left Between Them

The European Union funds its strategic priorities through dedicated programmes, **each built around a distinct logic and a distinct type of eligible activity**. For most sectors, one programme provides a coherent home. For the cultural and creative industries, four programmes are predominately relevant – and none of them fits.

The four EU funding programmes most relevant to CCIs

These are the most relevant funding programmes for CCI activities. There are many more touch points for creative talents but these are these are the programmes that most directly concern CCIs.

Horizon Europe funds research and innovation – **new knowledge, new technologies, measurable R&D outputs**. Projects are *evaluated against their capacity to generate transferable, scalable, scientific or technological results*. The innovation logic is linear: from research question to replicable solution.

Creative Europe funds **cultural production and cross-border circulation** – *co-productions, literary translation, touring, film development, cross-sector cultural partnerships, media projects*. The logic is cultural: supporting the creation and distribution of European works and building sector capacity.

CERV – Citizens, Equality, Rights and Values funds **civic activities and values-based work** – *citizens' engagement, democracy promotion, town twinning, gender equality, anti-discrimination, and the protection of fundamental rights*. The logic is democratic: strengthening the conditions for European civic life.

Erasmus+ funds **education, training, youth, and sport** – *student and staff mobility, vocational training, learning partnerships, youth exchanges, and capacity building in education*. The logic is developmental: investing in the skills and mobility of people across Europe.

These four programmes together cover the full range of what CCIs actually do. A creative organisation developing an AI-assisted cultural heritage project is simultaneously innovating (Horizon), producing and circulating cultural work (Creative Europe), engaging citizens in democratic memory practices (CERV), and training young practitioners in new hybrid competencies (Erasmus+). *But one can apply to only one programme at a time. And it will fit none of them completely.* **Horizon will ask for R&D outputs SMEs cannot deliver.** Creative Europe will not fund the research and innovation component. CERV will not cover prototyping costs. Erasmus+ will not support the project's artistic or civic ambitions unless they are framed as education.

The result is structural: *the sector that most naturally integrates the logics of all four programmes is the one least able to access any of them in full.* CCIs are not falling through the cracks. The cracks were built into the architecture.

1.1. Horizon: The Wrong Definition of Innovation

The core problem is definitional. European research and innovation funding – and Horizon Europe in particular – was designed around a model of innovation **rooted in technological R&D:** *dedicated research departments, quantifiable outputs, replicable processes, and measurable pathways from laboratory to market*. This model has a coherent internal logic. It simply does not describe how creative industries innovate.

CCIs innovate through practice. Their R&D is embedded in making – *in the iterative, experimental, learning-by-doing process that is inseparable from creative work itself*. A costume

designer developing new sustainable materials does not do so in a dedicated R&D department; she does it while making costumes. An independent game studio building novel human–AI interaction models does not produce publishable research; it produces a game. **This is not a lesser form of innovation.** It is a different form – one that EU frameworks persistently fail to recognise, measure, or fund.

The consequence is that the *sector's contribution to innovation is rendered statistically invisible and structurally ineligible*. Creative SMEs do not lack innovation; they lack the institutional language to describe it in terms that EU evaluation panels reward.

1.2. Creative Europe: The Wrong Scope of Culture

Creative Europe occupies an apparently obvious home for CCIs – and therein lies a subtler trap. Its internal logic is cultural: to **support the creation and circulation of European works, sustain the diversity of European cultural expression, and build the capacity of the sector to reach audiences across borders**. Within that logic, it functions well. A co-production between a French and a Polish theatre company, a literary translation from Croatian to Dutch, a touring contemporary dance programme – these are exactly what Creative Europe was designed for.

What it was not designed for is development in the entrepreneurial sense. Creative Europe does not fund business model innovation, technology adoption, organisational infrastructure, or the kind of cross-sector R&D that would allow a creative enterprise to grow, diversify, or compete in a digitally transformed market. A music publisher trying to develop new revenue streams in a post-streaming economy is making creative work and running a business under severe structural pressure – but neither of those challenges is legible to Creative Europe's evaluation criteria. **The programme recognises CCIs as cultural actors. It does not recognise them as economic ones.** For a sector that is simultaneously both, this is a recognition that excludes as much as it includes.

1.3. CERV: The Wrong Frame for Values

CERV – Citizens, Equality, Rights and Values – *funds civic activities: democracy promotion, citizens' engagement, anti-discrimination work, gender equality, the protection of fundamental rights. Its logic is democratic:* investing in the conditions for an active, rights-respecting European civic life. Creative organisations can, and sometimes do, access CERV funding – but only by reframing themselves.

A cooperative theatre collective **working on gender representation in public space** does civic work. It also makes art. Under CERV, it is eligible primarily as the former – *the artistic practice becomes incidental, even inconvenient, to the application logic*. Organisations that rely on CERV must **learn to narrate their work in the language of civic outcomes**, democratic participation, and fundamental rights impact – categories that are not false, but are not primary. The consequence is a slow institutional distortion: **creative organisations are incentivised to present themselves as NGOs with a cultural hobby, rather than as cultural enterprises with civic resonance but without the possibility to create a sustainable business model to self-sustain in the future.** That is not recognition. It is a category substitution.

1.4. Erasmus+: The Wrong Measure of Development without sustainability

Erasmus+ funds mobility and skills development – *student exchanges, staff development, vocational training, youth programmes, learning partnerships*. Its developmental logic is clear: **investing in the capacities of people to learn, move, and grow** across European borders. For CCIs, this opens genuine opportunities, particularly for organisations with an **educational or**

training dimension: conservatoires, design schools, youth arts organisations, vocational training providers in the creative trades.

But for the majority of creative enterprises – independent studios, cultural producers, small agencies, micro-publishers – **Erasmus+ can fund the movement of people while remaining indifferent to the development of practice.** A game studio sending a developer to an international residency can structure that as a learning mobility. The studio's actual challenge – building the capacity to produce, compete, and sustain itself in a consolidated global market – is not a training problem. *Erasmus+ is generous with mobility. It has nothing to offer a creative SME that needs not to move people, but to grow.*

There is a further structural contradiction that the programme's design does not acknowledge. For micro-enterprises – the dominant form of organisation across Europe's creative sector – **mobility is not a perk that requires a subsidy. It is a risk that requires a replacement.** When a three-person studio sends its lead creative on a four-week exchange, it does not pause: clients continue, deadlines arrive, projects cannot wait. *The economics of small creative enterprises are built on continuous output and fragile client relationships; an extended absence is not a development opportunity, it is a business threat.* Erasmus+ was designed for institutions with the administrative depth to absorb temporary absences. For a sole trader or a micro-enterprise, learning on the job is not a limitation to be overcome – it is the only viable model. A programme that offers mobility as its primary instrument is, for this majority, **offering something they structurally cannot use.**

2. A Structural Exclusion Machine

Data gathered through the Europe-wide CreativeFED stakeholder survey (2025) confirm that this exclusion is not experienced as marginal friction – it is experienced as a wall. Among respondents, a clear **consensus emerged around four systemic barriers**, each cited by more than two-thirds of participants.

- **Excessive administrative burden.** EU calls are not designed for organisations of three people or less. **The volume and complexity of documentation, compliance requirements, and reporting mechanisms** that are routine for large research institutions represent an existential resource drain for a micro-enterprise. Time spent on a proposal is time not spent on work.
- **Insufficient internal capacity.** Over 60% of European creative enterprises are micro-enterprises – organisations with no dedicated administrative staff, **no proposal-writing expertise, and no financial cushion to absorb the cost of an unsuccessful application.** The barriers to entry are not informational; they are structural.
- **Rigid partnership requirements.** Consortium-based funding structures tend to **aggregate around established institutions – universities, large research organisations, agencies with existing EU relationships.** *Creative SMEs, particularly those outside academic networks, struggle to secure meaningful roles in these constellations and are routinely relegated to peripheral participation or excluded altogether.*
- **Misalignment with sector realities.** **The topics, evaluation criteria, performance indicators, and impact frameworks of most EU calls are not calibrated to the innovation logic, timescales, or impact types** that characterise creative work. Applications are judged against standards designed for a different sector.

The result is a sector that contributes 4.4% of European GDP but remains, in the language of the survey analysis, 'structurally excluded from the EU R&I ecosystem.'

3. The Cost of Participation as a Tax on Ambition

The **administrative burden of EU funding is not abstract**. Participating in a European consortium call – from understanding the landscape, finding partners, developing the concept, navigating the platform, and writing the full proposal – **represents a significant investment** that falls entirely on the applicants themselves. *Research estimates the average cost of preparing a consortium proposal for a European call at approximately €40,000.* (Creative Member Survey 2025¹ see also Average Estimate Costs per EU Call Proposal below)

This cost is not recoverable. Proposal preparation expenses are explicitly ineligible under Horizon Europe rules. For a micro-enterprise operating on project-to-project revenue, this is not a transaction cost – it is a prohibitive barrier. For a consortium of small creative organisations, pooling that burden means diverting tens of thousands of euros of collective capacity into an application that faces rejection rates that regularly exceed 90%.

Average Estimate Costs per EU Call Proposal (based on CreativeFED member Survey 2025)

Cost component	Effort	Rate	Cost (€)
Lead writer	4 weeks · 20 days	€500 / day	€10,000
Co-writers (2 × 1 week)	10 person-days	€420 / day	€4,200
Administration & compliance	2 weeks · 10 days	€350 / day	€3,500
Partner coordination (6 partners × 40h)	240 hours	€75 / hour	€18,000
Miscellaneous (platform, comms, review)	–	–	€4,300
Total (central estimate)	~40 days + 240h		~ €40,000

Range by consortium size: Small (3 partners · 20h each) → ~€27,000 · Large (9 partners · 40h each) → ~€55,000

The system, in effect, levies a participation tax on ambition. And it is a tax that large institutions can absorb and small creative enterprises cannot.

4. AI Makes the Gap Wider, Not Smaller

The emergence of AI as a structuring force across creative practice does **not resolve this funding paradox**. It sharpens it.

The ways in which creative practitioners engage with AI are not uniform, and neither are their capital requirements. Some work involves the **careful, culturally intensive labour of building proprietary datasets** – assembling training material that reflects specific aesthetic intentions,

¹ **Key finding** The financing gap for European CCIs was estimated at between €8 billion and €13 billion in the period 2014–2020, while 69.3% of CCI actors cite access to finance as their most pressing challenge. This is not a market failure alone. It is a policy failure – and one that is about to be compounded by the next budget cycle unless the sector's voice, and the evidence behind it, is heard.

Evidence base: CreativeFED Stakeholder Survey, Funding and Financing CCIs (2025); EC Needs and Challenges of the Cultural and Creative Industries; Culture Action Europe budget analysis (2025–2026)

ethical commitments, and community values. This is slow, skilled work that generates no immediate output and fits no existing funding category.

The AI Advantage Gap

*In March 2024, the European Research Area Forum confirmed that Commission acknowledges – and encourage – consortia to use generative AI tools in writing proposals, provided a human remains responsible for the final output;² these guidelines were subsequently updated as "living guidelines" to reflect the rapid pace of AI development.³ According to interviews conducted by CreativeFED with NCPs across multiple programmes, it was reported that application volumes have surged dramatically in the past two years: in **Horizon Cluster 2** (Culture, Creativity and Inclusive Society), submissions **roughly doubled** from around 150 to over 300 on average, while in **CERV** the number **increased nearly sixfold** – a volume increase widely attributed, at least in part, to AI-assisted proposal writing lowering the barrier to entry for well-resourced applicants⁴.*

Other practitioners **work critically with AI-generated material**: testing, selecting, rejecting, refining – a process that demands both technical literacy and sustained time for experimentation that falls outside any billable project logic. And at the furthest edge, the most genuinely **innovative AI-assisted creative work is open-ended and dialogic** – exploratory processes whose outcomes cannot be pre-specified in a grant application and cannot be evaluated against predetermined milestones. **Each of these modes of practice requires investment.** None of them is legible to the funding systems currently on offer

None of these requirements map onto current EU funding instrument designs. **Dataset curation does not qualify as R&D. Iterative creative experimentation does not produce the output typologies** that evaluation panels recognise. **Emergent, co-created work resists the deliverable logic** that governs most project-based funding.

Meanwhile, the organisations competing with European CCIs in the AI space – US platform companies, state-backed Chinese AI developers – are capitalised at a scale that makes comparison almost meaningless. **European creative organisations can only compete through depth, specificity, and cultural intentionality.** But the funding system that should support precisely these qualities continues to reward scale and technological output.

5. A Crisis That Is About to Become Worse

The **structural exclusion of CCIs from EU innovation funding and funding for cultural work or upskilling** is not a stable situation slowly being corrected. It is a deteriorating one.

The European Commission's legal proposals for the 2028–2034 EU budget – the next Multi-Annual Financial Framework (MFF) – signal a significant retrenchment. Culture-related research is no longer set out as a dedicated structural component within the successor to Horizon Europe, where it previously occupied a defined space as Cluster 2. **The creative industries are absent from the proposed European Competitiveness Fund.** The language of the proposals prioritises technological and industrial competitiveness in ways that do not include – and in some readings actively marginalise – the creative and cultural dimensions of European innovation.

² European Research Area, *Living Guidelines for the Responsible Use of Generative AI in Research*, updated. <https://european-research-area.ec.europa.eu/news/living-guidelines-responsible-use-generative-ai-research-published>

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⁴ See also: FutureNeeds, *Guidelines for AI Use in EU Project Deliverables Based on EC Recommendations*. <https://futureneeds.eu/guidelines-for-ai-use-in-eu-project-deliverables-based-on-ec-recommendations/>

This is a political choice, and it is the wrong one. At the precise moment when the integration of creative intelligence into AI development, democratic communication, and sustainable transition has become most strategically important, European policy is proposing to reduce institutional support for the sector most capable of providing it.

6. Recommendations

The structural redesign required is achievable. Four changes would transform the sector's access to EU funding.

Recommendation 1: Recognise creative innovation on its own terms and redefine innovation eligibility to include creative practice. *Evaluation frameworks must accommodate practice-based, process-embedded, and socially oriented innovation as legitimate forms of R&D – not as approximations of technological research, but as **distinct and equally valid modes of generating new knowledge and value**. The absence of a dedicated research department is not evidence of an absence of innovation. **EU programme guidelines, evaluation criteria, and impact frameworks should be revised accordingly**, with input from sector representatives who can articulate what creative innovation actually looks like.*

Recommendation 2: Reduce the cost of participation through structural reform. *Simplified application procedures, two-stage processes, shorter proposal formats, and – critically – **cascading funding mechanisms that allow trusted intermediary bodies to re-grant EU funds** directly to micro-enterprises without requiring them to become full consortium partners are both achievable and proven. Proposal preparation costs should be recognised as eligible pre-project expenditure. The burden of entry should be proportionate to the scale of the applying organisation, not uniform across institutions of vastly different capacity.*

Recommendation 3: Mandate dedicated CCI funding instruments. *The creative sector requires calls designed around its specific innovation logic, timescales, and impact types – not as a sub-strand within broader technological programmes, but as primary instruments. The European Commission should **establish dedicated funding lines within Horizon**, or a successor hybrid instrument, specifically calibrated to creative and cultural innovation. These should be co-designed with the sector, not designed for it.*

Recommendation 3: Invest in intermediary infrastructure. *Europe's creative sector organisations – federations, sector bodies, umbrella networks – **have the trust, reach, and contextual knowledge to function as effective intermediaries between EU funding systems and micro-enterprises**. **Dedicated investment in the capacity of these bodies to manage cascade funding**, provide application support, and translate EU priorities into sector-relevant calls would multiply the impact of existing instruments without requiring fundamental programme redesign.*

Recommendation 4: Develop CCI-specific impact metrics. *Creative innovation is currently rendered statistically invisible because the measures used to capture innovation outputs – **patents, publications, technology transfer** – are not calibrated to creative work. The European Commission should commission the **development of a recognised CCI impact framework that captures the full range of economic, social, cultural, and democratic value generated by the sector**. Without appropriate measurement, the sector will remain ineligible not because it fails to innovate but because its innovation cannot be seen.*

Recommendation 5: Establish bridging instruments for AI-related creative investment. The capital requirements of AI-integrated creative practice – dataset curation, iterative experimentation, open-ended dialogic development – fit none of the current funding categories. *A dedicated bridging instrument, potentially modelled on existing EIC Pathfinder logic but calibrated to creative and cultural contexts, would allow the most innovative AI-creative work to be funded at the speed and flexibility the field requires.*

Recommendation 6: Recure culture's structural position in the 2028–2034 framework. The *exclusion of CCIs from the proposed European Competitiveness Fund and the de-prioritisation of culture within the Horizon successor programme must be actively and urgently contested* by the sector, its representative bodies, and the member states with the strongest creative economies. The case is not sentimental: it is economic, strategic, and democratic. A Europe that funds technological innovation while defunding cultural intelligence is building for a future it will not be able to narrate, understand, or shape.

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Creative Industries, Future Innovation Infrastructure

After the KIC: A Regionally Embedded Model for Sustainable Creative Ecosystems in the 2028–2034 and the Future of European Soft Power

Abstract:

The 2028–2034 Multiannual Financial Framework consolidates fourteen EU funding programmes into performance-based National and Regional Partnership Plans (NRPPs) and concentrates innovation investment in a new European Competitiveness Fund structured around four strategic windows – none of which includes a cultural dimension. Horizon Europe's Cluster 2 (Culture, Creativity and Inclusive Society) has been eliminated, and Cultural and Creative Industries (CCIs) – representing 4.4% of EU GDP, twelve million jobs, and the social and narrative infrastructure of European civilisation – appear in the new Horizon regulation in precisely one subordinate clause. This paper argues that this structural exclusion carries a strategic cost that extends well beyond the CCI sector itself. It makes three interconnected claims. First, CCIs must be reclassified as Critical Innovation Infrastructure: the cultural adoption layer without which the EU's hardware investments in clean technology, digital connectivity, and industrial modernisation will stall at the point of societal uptake. Second, the EIT/KIC model failed to generate sustainable creative ecosystems, but produced one transferable achievement – the first structured convergence of Knowledge Triangle stakeholders in the cultural sector around shared business models and joint exploitation of results. Third, this precedent must be scaled through a new institutional architecture: the LocKIC, or Local Knowledge and Innovation Community, embedded within the NRPP framework and designed for structural sustainability rather than programme dependency. The paper concludes with eight policy recommendations addressed to the European Commission, Parliament, and Member States.

Keywords: CCIs, MFF 2028–2034, LocKIC, NRPP, Horizon Cluster 2, cultural sovereignty, European Competitiveness Fund, Knowledge Triangle



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1. Introduction: A Structural Moment

The **2028–2034 Multiannual Financial Framework (MFF)** represents a fundamental redesign of European public investment. Cohesion policy, agricultural support, fisheries, and social funds are being **consolidated into a single performance-based framework** – the European Fund for Economic, Social and Territorial Cohesion, Agriculture, Rural, Fisheries and Maritime, Prosperity and Security (COM(2025)565) – **administered through National and Regional Partnership Plans (NRPP)**. Simultaneously, **research and innovation investment** is being concentrated in a new **European Competitiveness Fund**.

President von der Leyen has framed this as a transfer of ownership: *regions and Member States will exercise greater discretion over European funds*. The promise is genuine. The problem is structural. Neither the CCI sector nor the majority of national governments have the institutional capacity, policy frameworks, or trained personnel to **exercise this discretion effectively for cultural and creative investment**. Ownership without capability is not empowerment – it is exposure.

2. The Disappearing Sector: CCIs in the New Funding Architecture

Cultural and Creative Industries represent 4.4% of EU GDP – approximately €509 billion – and sustain twelve million jobs across the Union, making them one of Europe's largest employment sectors, comparable in scale to the automotive industry. *Yet the sector's economic contribution has never translated into commensurate institutional recognition in European funding architecture*. The structural characteristics of the CCI economy explain why: over 60% of CCI enterprises are micro-enterprises, operating on project-based contracts, **with limited fixed assets and no collateral base compatible with standard financial instruments**. This makes the sector acutely **dependent on targeted public support** – *grants, soft loans, and co-investment mechanisms calibrated to its specific risk profile*. The evidence of chronic underfunding is unambiguous. The financing gap between 2014 and 2020 reached €8–13 billion, and 69.3% of CCI stakeholders across Europe identify access to finance as their single most pressing challenge. The participation cost barrier⁵ compounds this: preparing a single EU consortium proposal costs an estimated €40,000 on average, a figure that represents a meaningful share of annual turnover for most creative enterprises. **The result is a structural paradox** – *the organisations most in need of European funding support are precisely those least able to bear the administrative and financial cost of accessing it*. **EU instruments** have, in practice, been **calibrated to the capacity of large research consortia and industrial partners**, not to the reality of a sector built on small, agile, IP-rich enterprises with limited administrative infrastructure.

Critical finding:

Horizon Europe 2028–2034 (COM(2025)543) eliminates Cluster 2 (Culture, Creativity and Inclusive Society) entirely. Culture and creativity appear in precisely one subordinate clause – Article 15(1) – in a list of general programme objectives. The European Competitiveness Fund's four policy windows contain no cultural dimension and no CCI eligibility framework.

⁵ *CreativeFED / ECBN (2025) Funding and Financing CCIs 2025: Stakeholder Survey. Brussels: CreativeFED/ECBN. [Policy Forum Brussels, 3 June 2025] This covers the headline economic figures: 4.4% of EU GDP, 12 million jobs.*

The NRPP framework (COM(2025)565) **represents the first structural opening** in a decade that could begin to address this. *By consolidating fourteen nationally pre-allocated funding programmes into a single performance-based architecture – with explicit Prosperity and Security pillars and a strong regional dimension – the new framework creates conditions in which cultural and creative investment could, for the first time, be embedded as horizontal infrastructure at regional level rather than treated as a niche sectoral concern competing for marginal allocations.* The logic is significant: NRPPs are not competitive European calls but negotiated national plans, meaning that **inclusion depends on whether Member States actively choose to integrate CCI capacity** into their regional strategies. For sectors with strong national and regional ecosystems – advanced manufacturing, digital infrastructure, energy – this architecture poses no particular problem. For CCIs, it is a high-stakes test. **Most Member States have no national Creative Industries Innovation strategy.** *Most regional managing authorities have no experience designing performance metrics for creative contributions to industrial or social transformation.* The window to shape NRPP design is open now, before plans are finalised and fund allocations locked for the 2028–2034 cycle⁶. If the sector does not make the case for its integration into NRPPs at this moment – and if Member States are not equipped with the frameworks and instruments to respond – the structural opportunity will close, and CCIs will again find themselves outside the architecture that determines the distribution of European public investment.

3. Diagnosing the EIT/KIC Model: What Failed and What Worked

The European Institute of Innovation and Technology (EIT) and its Knowledge and Innovation Communities (KICs) **were designed as self-sustaining bridges between education, research, and business** – the Knowledge Triangle – *capable of generating innovation ecosystems that would outlast European funding.* The diagnosis must be direct: **this model has largely failed in its stated purpose.** EIT Culture & Creativity, like most KICs, dissolved its active ecosystem the moment EU funding concluded. Structural dependency on programme funding – rather than embedded regional governance or diversified revenue – was baked into the model from the outset. **KICs built infrastructure for the duration of a grant; they did not build institutions. This failure was not unforeseen.** Member States repeatedly raised concerns throughout the EIT's operational history that **the model was too centralised** and too Brussels-driven to take genuine root at regional level. *The Co-Location Centres – designed as the regional anchors of each KIC – were chronically underfunded relative to the central governance structure, and operated with insufficient autonomy to develop meaningful ties to local industry, regional authorities, or national funding systems.* The **European Court of Auditors flagged sustainability weaknesses in the EIT model as early as 2016, noting that KICs lacked credible plans for financial self-sufficiency after the EU funding period.** **Several Member States,** particularly those with well-developed national innovation systems, *questioned whether the KIC architecture added genuine value or simply duplicated* – without coordinating with – existing national research and innovation infrastructure. The governance structure itself compounded the problem: **KICs are and were operationally dominated by large research universities and corporate partners, with micro-enterprises, regional SMEs, and cultural organisations structurally marginal to decision-making and resource allocation.**

⁶ *CreativeFED (2026) Executive Brief: CCIs and the 2028–2034 NRPP Framework. Brussels: CreativeFED. [April 2026] This is the NRPP brief from your uploaded documents, which is where the 60%+ micro-enterprises figure, the €8–13bn financing gap, and the 69.3% statistic come from.*

The **failure of the KIC model** is not merely an observation from within the CCI sector – it is the *documented conclusion of Europe's leading applied research institution*. In a formal position paper on the future of the Framework Programme, **Fraunhofer-Gesellschaft** called for the EIT to be **discontinued entirely**, describing it as *"overly complex, costly and non-transparent" and arguing that it "fails to provide added value to Europe's innovation ecosystems and its industrial competitiveness."* Fraunhofer's critique goes to the structural core of the model: participation in KICs requires substantial financial contributions from member organisations – universities, research institutes, companies – who bear the administrative and financial overhead of building the community without proportionate return on their investment. *The administrative burden is so significant that it actively excludes the very actors the Knowledge Triangle model is designed to engage.* Fraunhofer further argues that KICs have been established predominantly **in domains where innovation ecosystems already exist, producing duplication** rather than additionality. Its conclusion is unambiguous: the EIT budget should be redirected into the next Framework Programme, specifically toward instruments with demonstrated impact. Fraunhofer is not alone in this assessment. **Austria and Germany expressed their opinion for a reform** of the EIT Framework. **Denmark and Latvia** have formally called for the **EIT to be discontinued** in the 2028–2034 Framework Programme. Taken together, these positions – from Europe's largest applied research organisation and from Member States with advanced national innovation systems – *constitute a serious institutional verdict on a model that absorbed significant European public investment without generating the sustainable ecosystems it promised.*

There is, however, one **genuine achievement that must not be lost in this diagnosis**. For the first time in *the cultural and creative sector, stakeholders from all three points of the Knowledge Triangle – higher education institutions, research organisations, and creative businesses – came together in structured dialogue*. They discussed sustainable business models. They explored joint exploitation of results. This convergence had never happened at scale before in the CCI sector, and its significance should not be underestimated simply because the institutional vehicle that enabled it proved unsustainable. It is the seed of a genuinely transformative model.

The lesson is not that the Knowledge Triangle concept is wrong. *It is that the KIC model applied it in a way that was too centralised, too programme-dependent, and too disconnected from regional governance* to survive the end of a single budget cycle. **What must be carried forward** is not the KIC as an institution – but **the Knowledge Triangle convergence as a structural principle**, this time embedded in regional governance, diversified in its funding base, and designed from the outset with the Fraunhofer model's core insight in mind: sustainability is an architectural property, not a fundraising strategy.

4. Next Generation KIC – Local KICs

Local Knowledge and Innovation Community (LocKIC) – **is proposed as the architectural response: a decentralised, regionally embedded, performance-based evolution of the KIC model, designed to be sustainable not by promise but by structure.**

Where the original KIC model created pan-European thematic communities dependent on a single EU funding stream, the LocKIC is anchored at regional level within the NRPP framework. It draws on the Knowledge Triangle – education, research, creative business – **but embeds this triangle in the governance, institutions, and funding flows of each region**. Classified as Critical Innovation Infrastructure within the NRPP architecture, LocKICs can receive direct allocation through regional plans rather than competitive pan-European calls inaccessible to micro-enterprises.

CCIs function in the LockKIC model not as beneficiaries – passive recipients of support – but as orchestrators of regional innovation ecosystems.

Three operational functions define the model:

- **Innovation Infrastructure.** CCIs provide user-centred design, iterative prototyping, and aesthetic innovation that accelerates industrial modernisation and shifts regional economies from commodity production to premium-value, IP-protected goods and services. This is the mechanism by which European clean technology, AI tools, and digital platforms achieve market adoption.
- **Just Transition.** In regions undergoing structural industrial change, CCIs provide narrative frameworks, community engagement, and heritage-based innovation that enable social acceptance and economic viability. Without this, Just Transition investments produce stranded assets and social resistance.
- **Skills Ecosystem.** Design thinking, living lab approaches, and collaborative prototyping translate creative talent into a horizontal transformation agent across all economic sectors. LockKICs, integrated with the Pact for Skills, embed this in regional re- and up-skilling programmes with measurable performance milestones.

The EU's €2 trillion in regional investment under the 2028–2034 MFF – in clean energy, digital connectivity, and industrial modernisation – represents precisely the hardware that requires cultural software to function. The Draghi Report identified Europe's competitiveness problem not as a deficit in research capability but in commercialisation, adoption, and societal embedding.

Without cultural adoption infrastructure, Europe's hardware investments risk producing stranded assets: solar farms rejected by communities, digital platforms unused by SMEs, green jobs unfilled because displaced workers cannot navigate the transition. LockKICs – anchored in regions, governed by the Knowledge Triangle, and funded through NRPPs – provide the adoption infrastructure the EU's competitiveness agenda urgently needs.

5. Competitiveness, Sovereignty, and the European Way

The argument for CCIs in the 2028–2034 architecture is not cultural. It is strategic.

Cultural and digital sovereignty. Who designs the products European citizens use? Creatives with their work train the AI systems that will shape European public discourse. Who tells Europe's story to the world? These are not rhetorical questions – *they are the substance of the EU's strategic autonomy agenda.* **A Europe that invests in AI compute but not in the creative industries that give AI output cultural meaning and relevance is a Europe outsourcing its sovereignty.**

Soft power and defence. In the current geopolitical context – disinformation campaigns, democratic backsliding, the challenge to European values from within and without – **CCIs are a frontline asset.** *They produce the verified content, civic narratives, and cultural confidence that fortify European societies against manipulation.* The European Democracy Action Plan recognises this. The 2028–2034 funding architecture does not.

The European way. Social partnership, solidarity, diversity, and the rule of law are not abstractions. They are ways of organising human life that require constant creative articulation and renewal. **The creative sector is the primary vehicle through which these values are embodied, communicated, and transmitted across generations.** A competitiveness framework that excludes

this sector is not a framework for European competitiveness – it is a framework for convergence toward someone else’s model.

The ‘Choose Europe’ initiative, launched by President von der Leyen, positions European lifestyle and values as a magnet for global talent and investment. Cultural and Creative Industries are the substance of that proposition. They cannot be an afterthought in the funding architecture that underpins it.

6. Building Capacity: Preparing Sectors and Regions

The NRPP framework’s promise of regional ownership **requires institutional capacity that does not yet exist**. Most Member States *lack national CCI strategies aligned with EU funding frameworks*. *Regional managing authorities have no established protocols for integrating creative enterprises into innovation policy*. CCI organisations – predominantly micro-enterprises – do not have the administrative capacity to engage with performance-based fund management.

Three priority actions are required before NRPPs are finalised. **CreativeFED and national CCI umbrella organisations must co-develop NRPP integration frameworks**: practical guides for regional managing authorities on how to classify CCI investment as Critical Innovation Infrastructure and design performance metrics for creative contributions to the Triple Transition. Knowledge Triangle partners must be convened at regional level to establish the governance foundations of LockICs as a structural element of regional planning. And dedicated simplified access procedures for micro-enterprises must be built into NRPP implementation rules, addressing the €40,000 participation cost barrier that has systematically excluded the sector from EU instruments.

7. Recommendations

On Horizon Europe 2028–2034

1. **Reinstate Cluster 2**. The European Parliament should formally request the reinstatement of a dedicated cluster for Culture, Creativity and Inclusive Society within the 2028–2034 Horizon framework, classified as Critical Innovation Infrastructure and integrated with the Competitiveness Coordination Tool to ensure EU conform Implementation on nation level.
2. **Expand Article 15**. The current single reference to culture and creativity in Article 15(1) must be expanded to establish CCIs as a cross-cutting priority integrated into all three pillars: Excellent Science, Competitiveness and Society, and Innovation Ecosystems.

On the European Competitiveness Fund

3. **Establish a fifth ECF policy window** – or mandate horizontal CCI eligibility across all four existing windows – recognising cultural adoption infrastructure as a prerequisite for each strategic priority area.

On the NRPP Framework (COM(2025)565)

4. **Classify CCIs as Critical Innovation Infrastructure** in the MFF, FP10, Competitiveness Fund and NRPP implementing regulations, with explicit eligibility under Prosperity and Security chapters and dedicated performance metrics for CCI horizontal impact across sectors.

5. **Mandate LockKIC structures** as a recognised NRPP instrument for regional ecosystem building, based on the Knowledge Triangle methodology and designed for sustainability beyond the programme funding period through embedded regional governance.
6. **Introduce simplified access procedures for micro-enterprises** within NRPP implementation rules, with proportionate reporting requirements calibrated to organisational capacity.

On capacity building

7. **Fund a dedicated NRPP Readiness Programme** for CCIs through the Competitiveness Coordination Tool, enabling Member States to develop national CCI integration strategies and LockKIC governance frameworks before NRPPs are finalised.

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Conclusion:

The Structural Moment Is Now

This White Paper began with a single argument: Europe's **Cultural and Creative Industries** are not a sector in need of protection. **They are innovation infrastructure in need of recognition.** *Five chapters later, that argument has been tested from five different directions – and it holds.*

From the architecture of digital sovereignty, **where EuroStack is being built without its content layer**, to the studios and ateliers where **AI is already reshaping creative practice** faster than any **regulatory framework can follow**; from the **procurement budgets** that remain locked in cost-minimisation logic to the funding programmes that **systematically exclude the sector they nominally serve**; from the **failure of the KIC model** to the **opportunity embedded in the NRPP framework** – *the same structural error recurs.* Europe has consistently treated its creative economy as a cultural amenity **rather than as the innovation, adoption, and sovereignty infrastructure it actually is.**

The cost of that error is no longer theoretical. Horizon Europe's Cluster 2 has been eliminated. The European Competitiveness Fund has no cultural window. CCIs appear in the new Horizon regulation in one subordinate clause. At the precise moment when creative intelligence is most strategically important – **for AI governance, for democratic resilience, for the societal uptake of the green and digital transitions** – European policy is moving in the opposite direction.

This is a political choice. It can be reversed.

The thirty-one recommendations set out in this paper are not a wish list. They are a minimum specification for a European industrial policy that is complete rather than partial, **sovereign rather than dependent, and capable of narrating the future it is trying to build.** They are addressed to the European Commission, the European Parliament, and Member State governments – but they require the creative sector itself to make the case with the urgency the moment demands.

Three things need to happen before the window closes. The **2028–2034 National and Regional Partnership Plans must be shaped** now, before allocations are locked, to integrate CCIs as Critical Innovation Infrastructure. The **EuroStack governance architecture must include CCI representation** before its institutional form is set. And the **AI Act's implementation must be strengthened** – on consent, on compensation, on provenance – before the regulatory moment passes.

CreativeFED presents this paper to the Strategic Dialogue for the European Creative Economy not as a final position but as the opening of a necessary argument. The infrastructure is being built. The content must be European. The creators must have a voice.

Consolidated Recommendations

Part One – CreativeStack: An Innovation Infrastructure

Rec 1.1 – Formally classify CCIs as Critical Innovation Infrastructure in European industrial policy, triggering funding eligibility and procurement conditionality.

Rec 1.2 – Reserve formally designated seats for CCI representatives in all EuroStack governance bodies, advisory forums, and multi-stakeholder processes.

Rec 1.3 – Create a dedicated CCI funding window in the proposed EuroStack Fund, with eligibility criteria designed for SMEs and freelance practitioners, not semiconductor companies.

Rec 1.4 – Establish mandatory, informed, and fairly compensated consent as the binding principle for the use of CCI-produced content in AI training data, across all EU AI governance instruments.

Rec 1.5 – Formally convene a CreativeStack Interest Group as a standing policy forum giving the full creative ecosystem equal institutional standing with technology industry actors.

Part Two – Already Inside the Studio: AI, Creative Industries, and the Policy Gap

Rec 2.1 – Establish a fair compensation mechanism for rights-holders whose work is used in AI training, building on the GEMA v. OpenAI ruling and the European Parliament's March 2026 resolution.

Rec 2.2 – Require clear labelling of AI-generated or AI-assisted content across all distribution platforms, with sector-specific attribution standards developed with CCI bodies.

Rec 2.3 – Fund the development and adoption of attribution and provenance ledgers – metadata systems that embed authorship and transformation history into works as they circulate digitally.

Rec 2.4 – Guarantee permanent CCI representation in the EU AI Office, the GPAI Code of Practice working groups, and all bodies shaping AI Act implementation and revision.

Rec 2.5 – Designate CCI workforce transition a priority investment area under the European Social Fund and Erasmus+, with dedicated funding for AI reskilling and literacy for creative practitioners.

Rec 2.6 – Fund the scaling of CCI-specific micro-credential frameworks – including CREDEX and CYANOTYPES – to European level, with mutual recognition across all Member States built in from the outset.

Rec 2.7 – Introduce targeted public funding to protect and rebuild entry-level creative roles – traineeships, apprenticeships, junior positions – as the primary mechanism for transmitting craft to the next generation.

Rec 2.8 – Commission a Europe-wide observatory on AI's labour market impact on CCIs, reporting annually, to provide an evidence base for ongoing policy adjustment.

Part Three – From Cost to Value: Unlocking Public Markets for Creative Innovation

Rec 3.1 – Mandate use of innovation-friendly procurement procedures – Pre-Commercial Procurement, Innovation Partnerships, Innovation Impact Challenges – to open public tenders to creative methodologies.

Rec 3.2 – Normalise market consultation and dialogue phases in public procurement, allowing iterative, design-led exploration rather than specification of predetermined outcomes.

Rec 3.3 – Direct funding towards cross-sectoral co-creation programmes that embed CCI methodologies – service design, serious gaming, systemic design – into the delivery of public services and policy challenges.

Rec 3.4 – Adapt European procurement rules to reduce administrative burdens on micro-enterprises, enshrine fair pay obligations, and recognise qualitative and cultural value in award criteria.

Part Four – The Funding Paradox for CCIs

Rec 4.1 – Redefine innovation eligibility across EU programmes to formally include practice-based, process-embedded, and socially oriented innovation as legitimate forms of R&D.

Rec 4.2 – Introduce simplified two-stage applications, shorter proposal formats, cascade funding mechanisms, and recognise proposal preparation costs as eligible pre-project expenditure.

Rec 4.3 – Establish dedicated CCI funding instruments – not sub-strands within broader programmes but primary calls co-designed with the sector around its specific innovation logic and timescales.

Rec 4.4 – Invest in the capacity of CCI federations and sector networks to act as trusted intermediaries managing cascade grants directly to micro-enterprises.

Rec 4.5 – Commission the development of a recognised CCI impact framework that captures economic, social, cultural, and democratic value – making creative innovation visible to evaluation panels.

Rec 4.6 – Create a dedicated bridging instrument for AI-related creative investment – dataset curation, iterative experimentation, dialogic co-creation – modelled on EIC Pathfinder logic but calibrated for creative contexts.

Rec 4.7 – Actively contest the exclusion of CCIs from the European Competitiveness Fund and the de-prioritisation of culture in the Horizon successor programme throughout the MFF negotiation process.

Part Five – Creative Industries: Future Innovation Infrastructure

Rec 5.1 – Reinstatement a dedicated Cluster for Culture, Creativity and Inclusive Society within the 2028–2034 Horizon framework, classified as Critical Innovation Infrastructure.

Rec 5.2 – Expand Article 15(1) of the new Horizon regulation to establish CCIs as a cross-cutting priority across all three programme pillars, not a single subordinate clause.

Rec 5.3 – Establish a fifth European Competitiveness Fund policy window for cultural adoption infrastructure – or mandate horizontal CCI eligibility across all four existing windows.

Rec 5.4 – Classify CCIs as Critical Innovation Infrastructure in MFF, FP10, and NRPP implementing regulations, with dedicated performance metrics for CCI horizontal impact across sectors.

Rec 5.5 – Mandate LockKIC structures as a recognised NRPP instrument, embedding the Knowledge Triangle principle in regional governance and designing sustainability in from the outset.

Rec 5.6 – Introduce simplified access procedures and proportionate reporting requirements for micro-enterprises within NRPP implementation rules.

Rec 5.7 – Fund a dedicated NRPP Readiness Programme enabling Member States to develop national CCI integration strategies and LockKIC governance frameworks before plans are finalised.

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Scope and purpose of use. This White Paper was produced in accordance with the European Commission's "Guidelines on the Responsible Use of Generative AI in Research" (EC 2025), which encourages researchers and policy practitioners to explore the opportunities and challenges presented by AI, large language models, and assisted intelligence tools, while maintaining full scholarly and professional accountability. Against this backdrop, the authors used AI-enabled tools (listed below) alongside standard software to support language quality, literature review workflow, visual content rendering, and document development, while retaining full responsibility for all substantive analytical, argumentative, and policy decisions.

For the **literature review underpinning the empirical sections** of this paper, Consensus.app was used to identify and screen potentially relevant peer-reviewed publications, retrieve bibliographic metadata, and support initial claim-triage during study selection and synthesis. All sources were ultimately assessed through direct reading of the underlying publications. AI-enabled outputs were treated strictly as leads for verification rather than evidence in themselves, with full responsibility for inclusion decisions, interpretations, and argumentation remaining with the authors.

Tools used.

- **Claude Opus 4.7** (Anthropic) (accessed 2025–2026): primary AI writing assistant used for drafting, structural development, argumentative refinement, consistency checking, and language quality review across all five parts of this paper; also used to support the synthesis of policy evidence and the formulation of recommendations.

- **Claude.ai** (claude.ai, Anthropic) (accessed 2025–2026): web and desktop interface used for conversational research support, iterative document review, and policy argument development throughout the drafting process. Beyond direct interaction, the author trained and deployed a set of purpose-built AI agents within the Claude.ai environment to support specific editorial and analytical functions: agents were configured to compile and cross-reference information across source materials, assist with editorial decision-making by proposing structural and argumentative options, and evaluate draft text against defined quality criteria — assessing consistency of argument, logical flow, and readability across chapters. Agent outputs were treated as structured suggestions and reviewed critically by the author at every stage; all final editorial decisions, including the acceptance or rejection of agent-generated proposals, remained the sole responsibility of the author.
- **Claude Code** (Anthropic) (accessed 2025–2026): command-line AI coding assistant used to support document automation, file management scripting, and structured data processing tasks related to the research workflow.
- **Claude Cowork** (Anthropic) (accessed 2025–2026): desktop AI assistant used for file-based task automation, document drafting and editing workflows, and multi-step research organisation across the project folder.
- **ChatGPT Images 2.0 rendering engine** (OpenAI) (accessed 2025–2026): used for the generation and rendering of visual content, conceptual diagrams, and supporting illustrations within the document.
- **ChatGPT** (OpenAI) (accessed 2025–2026): writing support for formative feedback on clarity, coherence, and consistency; support for literature review compilation and synthesis, including proposing outlines, suggesting structure, and summarising author-prepared notes.
- **Consensus** (consensus.app) (accessed 2025–2026): literature discovery and summarisation support to assist screening and orientation in the peer-reviewed literature; used to identify candidate papers and produce preliminary summaries.
- **Google Scholar** (scholar.google.com) (accessed 2025–2026): literature discovery and bibliographic verification.
- **Zotero** (accessed 2025–2026): collection, organisation, annotation, citation management, and reference sharing.
- **Microsoft Word** (Version 16.x): spelling, grammar checking, and proofreading.

Human oversight and accountability. AI systems are neither authors nor co-authors of this White Paper. The Board and Staff of CreativeFED retained full responsibility for all arguments, methodological choices, policy analysis, interpretation, and final wording. AI outputs were treated as suggestions and reviewed critically at every stage. The positions, recommendations, and conclusions expressed in this paper are those of CreativeFED and its contributing authors alone.

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CONTACT

CreativeFED

European Federation for the Creative Economy

Adress:

EFCE, PO Box 75,
1000 AT Amsterdam, NL

eMail info@creativefed.eu