

LIVE MUSIC CHALLENGES IN EUROPEAN CITIES

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Lack of recognition of the live music sector by public authorities

Despite its social value, including promoting diversity, supporting artist development, revitalizing city centers, driving economic growth, and contributing to soft power, the live music sector struggles with insufficient recognition from public authorities, leading to several key challenges. One of the main issues is that urban planning often overlooks the needs of live music venues, resulting in **inadequate protection against gentrification, noise complaints, and real estate speculation**.

Shain Shapiro's reflection highlights how far we are from a truly comprehensive and ambitious approach to urban, political, and cultural planning. He thinks that that a music ecosystem policy is not just about music but also about how it intersects with other urban policies, such as housing and environmental regulations. It argues that music's external impact on communities must be considered when shaping policies, particularly in urban planning. A key example is affordable housing—if new homes near music venues are not built to appropriate standards (e.g., soundproofing, insulation), they may generate noise complaints, negatively affecting both residents and businesses. The Agent of Change principle is highlighted as a policy ensuring that new developments near existing entertainment areas incorporate necessary protections, rather than placing the burden on music venues or other industries like agriculture or manufacturing. Ultimately, he advocates for integrated policies that support both the music industry and urban development, ensuring that vibrant communities can thrive while maintaining social cohesion and economic sustainability.

The **absence of targeted tax incentives or protections** also leaves venues and event organizers financially vulnerable, depriving them of mechanisms that could alleviate the financial strain.

Clubcircuit, network of professional live music venues in Flanders, Belgium



Our first demand is for greater recognition of the current role played by live music venues in our cultural landscape. We are calling for an end to the chronic underfunding of the sector. Current subsidies are significantly lower compared to those allocated to other cultural sectors, such as theater or classical music. This discrepancy highlights the need for tools like the Tax Shelter to be extended to our sector. The Tax Shelter allows investors to support cultural projects in exchange for tax reductions. While this mechanism is available for theater, it has not yet been implemented for contemporary music, and we believe it is time for this to change.

Several respondents from different countries report experiencing **unfavorable changes in taxation policies** affecting their activities.

Respondent from Finland, Tampere - 200-capacity venue



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Respondent from Estonia, Tallinn - 450-capacity venue



In Estonia, VAT is applied uniformly to everything. The issue is that, unlike most European countries, cultural events and tickets here are not eligible for reduced VAT rates. Previously set at 20%, VAT was raised to 22% last year, and another increase to 24% has already been announced, set to take effect in 2025. For us, this means that nearly a third of each ticket's price is consumed by taxes: 24% VAT, PRS (performing rights fees), and the ticketing commission. In fact, I haven't fully researched this yet, but I suspect that ticketing commissions in Estonia might now be the highest in Europe.

These challenges are exacerbated by the evolving political landscape across Europe, where an increasing number of **governments lean toward conservatism or far-right ideologies**. This shift is reflected in **reduced prioritization of cultural initiatives** and a more hostile environment for creative expression. These dynamics create an environment where the live music sector struggles to survive, let alone thrive, in the face of mounting economic and political pressures. This trend can be observed in countries such as Italy, where a far-right party leads the executive branch, as well as in the Netherlands and Finland, where they are part of governing coalitions.

Respondent from The Netherlands, Amsterdam - 2200-capacity venue



A pressing and urgent challenge has emerged due to recent changes in tax laws introduced by the far-right government currently in power in the Netherlands. These new measures pose significant issues for cultural institutions. One particularly concerning change is the planned increase in VAT. Currently set at 9% for the activities we undertake, this rate is slated to rise to 21% starting January 1, 2026. Such an increase represents an effective income reduction of approximately 11% unless measures are taken to mitigate its impact. As a result, we will likely be forced to raise ticket prices, reduce the attractiveness of offers extended to artists, and distribute the financial burden among our audiences, our organization, and the artists we collaborate with. These adjustments will be critical to navigating the financial strain imposed by this policy change.

At the European level, support for the music sector remains limited, particularly when it comes to small and medium-sized concert venues. The recent [Music Moves Europe](#) program operates under the framework of the [Creative Europe](#) initiative, which supports cultural and creative sectors. Its budget has historically been small relative to the scale of the European music industry. The preparatory actions of Music Moves Europe were allocated €1.5 million in 2018 and €3 million in 2019. In comparison, the average annual budget for a single contemporary music venue or music festival in France amounts to €1.2 million and €1.5 million, respectively. This raises questions about the actual impact such a limited budget can have at a European scale. It seems unlikely that such modest funding could provide substantial and effective support to the sector. Additionally, music-related projects received only 3.5% of the overall Creative Europe budget, itself a modest portion of the EU's total financial resources, representing 0.16% of the entire EU budget¹. In stark contrast, cinema funding under Creative Europe exceeds €1 billion over the same seven-year period, reflecting a persistent imbalance in cultural funding priorities.

Despite the well-documented economic, cultural, and social value of the music sector, it continues to receive disproportionately low recognition and support. This is why mobilization and organized structuring of the sector at both national and European levels must persist, emphasizing its significance and advocating for the protection of its vulnerable yet essential stakeholders.

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1. Open letter : [Music Sector calls on MEPs to support a strong budget for the 3rd edition of Music Moves Europe](#) | Liveurope. (September 19, 2019).

The COVID-19 pandemic further exposed the fragility of the live music ecosystem, significantly weakening it. However, this crisis also forced the sector to organize itself and think collectively about its future.

Court-circuit, network of professional live music venues in Wallonia & Brussels, BE



We gradually expanded until, in 2020, we became a true professional federation of concert venues. With the Covid crisis, we increasingly took on roles in social dialogue, union activities, and representation to political authorities—something we had not really done before 2020. This was a real revolution, largely imposed by the global context, which required interlocutors for every profession within the performing arts and the music sector.

Although some countries implemented financial support for venues during lockdowns and industry players demonstrated unprecedented unity, these lessons have had minimal influence on shaping current public policies. Without sustained effort and investment, the sector **risks being perpetually marginalized** within the broader cultural landscape.

Positive progress has been made through efforts by national and European organizations like Live DMA, which continue to collect data and raise awareness among policymakers and the public about the challenges faced by venues. Similarly, the UK's Music Venue Trust has been at the forefront of advocacy, popularizing terms like «grassroots venues,» championing the «agent of change» principle, and leading initiatives such as taxing stadium and arena tickets to support smaller venues²³. However, political will remains insufficient, both nationally and at the European level, especially when compared to more established and structured sectors like cinema and audiovisual media. This lack of robust support underscores the need for further advocacy and systemic changes to bolster the live music industry's sustainability.

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2. Music Venue Trust [instagram](#) post (November 14, 2024).

3. Stock, O. (November 14, 2024). [UK Government backs ticket levy on stadium and arena shows to help grassroots venues](#). DJ Mag.

FULL STUDY

MAP OF CHALLENGES