SUMMARY REPORT · IMMERSIVE MEDIA FUNDING THINK TANK

Connecting Europe's XR Funding Landscape

Location	DATE	HOST	PUBLISHED
Paris, France	April 2026	NewImages Festival	August 2026

A think tank for Europe's immersive media funders

In April 2026, NewImages Festival hosted the First Immersive Media Funding Think Tank, Connecting Europe’s XR Funding Landscape, in Paris. The session was conceived jointly by NewImages and XR4Europe. The Think Tank was developed and organised by XR4Europe, with NewImages Festival providing the platform and institutional context that made the gathering possible.

The think tank brought together representatives from across Europe's immersive media funding and support landscape, including public funds, cultural institutions, audiovisual agencies, creative technology clusters, and intermediary organisations.

PARTICIPATING INSTITUTIONS

MOIN Film Fund Hamburg Schleswig-Holstein · Mitteldeutsche Medienförderung GmbH · Relais Culture Europe · Animation Ireland · FEDORA · CIIIC · Baltic Film & Creative Tech Cluster · the British Council · FilmFernsehFonds Bayern · Ministère de la Culture, France · Film Fund Luxembourg · the Centre national du cinéma et de l'image animée · One Night Gallery

The think tank was convened to explore how Europe's XR funding landscape could become better aligned and more effective for creators, producers, institutions, and funders. The discussion focused on artistic and cultural XR projects, while recognising that XR often sits between several funding traditions, particularly audiovisual production, games, digital innovation, cultural heritage, and performance. This cross-sectoral nature is one of XR's strengths, but it also creates structural difficulties when support systems are built around traditional categories with legacy criteria.

XR4Europe convened and facilitated the session as part of its wider work to strengthen coordination across Europe's XR and virtual worlds ecosystem. This summary report, authored by XR4Europe, captures the main themes, challenges, and points of convergence discussed during the think tank, without attributing specific remarks or conclusions to individual participating institutions. The discussion will also inform future follow-up actions, including a subsequent session at UnitedXR Europe in December 2026 and a continued dialogue at NewImages Festival in 2027.

WHY THIS MATTERS NOW - AGORAEU

This discussion took place at a pertinent moment for European cultural and media policy. The European Commission's proposed AgoraEU programme for the 2028–2034 multiannual financial framework would merge the current Creative Europe programme — referenced repeatedly by participants as a key funder in the XR space — with the Citizens, Equality, Rights and Values (CERV) programme. While immersive reality is named within AgoraEU's broad definition of media, the current proposal does not yet recognise immersive media as a distinct category within the Media+ strand, unlike video games, and the programme is still being negotiated in the European Parliament and Council. XR4Europe and other sector organisations are calling for this gap to be addressed.

The discussion was organised in three sessions: eligibility criteria and structural alignment; regional inequalities in XR support; and pathways for future alignment and action.

I	II	III
Eligibility criteria & structural alignment	Regional inequalities in XR support	Pathways for alignment & action

Eligibility Criteria and Structural Alignment

The first session focused on eligibility criteria for artistic and cultural XR projects and the common barriers faced by creators navigating multiple funding schemes. Participants examined how current schemes define eligible XR projects, which applicant profiles they tend to favour, and where these structures create friction.

A central issue was the relationship between innovation and risk. Many XR funding mechanisms are designed, at least in principle, to encourage experimentation, artistic research, and new forms of audience experience. However, the discussion also highlighted a recurring tension: funders may seek innovative projects, but innovation is difficult to sustain when only a small number of projects can be supported and when production pathways remain uncertain. Highly competitive innovation schemes can help identify strong projects, but they do not necessarily create the stable development, production, distribution, and exhibition conditions needed for a wider ecosystem to mature.

> "XR is often assessed by committees drawing on adjacent fields such as film, games, and performance — valuable, but it can also create inconsistency."

Selection and evaluation practices also emerged as a key area of discussion. In some cases, immersive projects are evaluated within film-oriented systems, even when their production logic, technical requirements, audience experience, and business models differ significantly from linear audiovisual works. In other cases, XR sits between film and games, or between culture and innovation, without being fully recognised by any one category. One noteworthy driver of inconsistency in practice was the difficulty that some funding bodies had in securing expert evaluators — either because of their established methods of internal evaluation, or simply struggling to secure experts from within a still relatively small ecosystem who are willing, eligible, and do not bring risks of conflicts of interest.

The funding landscape was described as fragmented across project stages. Some schemes are stronger in development, artistic research, travel, international collaboration, or early innovation, while production and post-production support remain more difficult to secure. This creates a gap between the encouragement of experimentation and the financing of fully realised works. Travel and networking support can help creators build partnerships, but without adequate production funding, many projects struggle to move from concept and prototype into sustainable public presentation.

Co-production was another major theme. There was broad interest in supporting cross-border XR collaboration, but the discussion suggested that XR does not yet have mature co-production structures comparable to those in film. Existing film co-production models do not always translate well to immersive media, particularly where rules are based on minority co-production status, national spend, local economic return, rights ownership, production control, or the identity of the lead producer. In some cases, schemes favour single-company applicants or applicants with a majority role, which can make genuine cross-border collaboration more difficult.

Participants identified several recurring barriers, both structural and practical: schemes are difficult to match across countries, SMEs often lack co-financing capacity, and creators still have too few tools for finding partners, producers, and co-funders. Smaller organisations often face a particularly difficult combination of high administrative burden, uncertain match funding, and limited access to experienced XR producers.

At the same time, the session showed meaningful convergence between funders. There was broad agreement that XR would benefit from more flexible eligibility criteria, better recognition of co-production structures, and improved matchmaking between creators, producers, institutions, and funding bodies. Rather than seeking a single unified European funding model, the more realistic opportunity would be to identify shared principles, common reference points, and practical areas where schemes can become easier to combine.

Addressing Regional Inequalities in XR Support

The second session focused on the uneven distribution of XR funding, production capacity, and support infrastructure across Europe. The discussion highlighted that regional inequality in XR is shaped not only by funding design, but also by the maturity of local ecosystems and their access to production, venue, and co-financing capacity.

A key takeaway was that XR support remains highly uneven across national and regional systems. Some regions benefit from strong audiovisual or cultural funding structures, while others lack dedicated XR mechanisms or rely on schemes designed primarily for film, games, innovation, or general cultural activity. Even where funding is available, it may only cover limited parts of the pipeline, such as development, experimentation, or travel, leaving production, exhibition, and distribution as financing gaps.

The discussion also observed that the practical conditions attached to funding, from co-financing and budget thresholds to language and administrative requirements, can unintentionally favour more mature ecosystems. Actors based in larger markets and well-established production environments are often better equipped to meet eligibility conditions, assemble partnerships, and navigate multiple funding systems. Smaller or emerging XR ecosystems may have strong creative potential, but lack the producer capacity, institutional experience, and financial flexibility needed to compete on equal terms.

> BOTTLENECK
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> Producer capacity was identified as a particularly important bottleneck. The issue is not only whether artists and studios are developing XR work, but whether there are enough producers with the knowledge to structure XR projects, manage international partnerships, secure co-financing, and connect projects to appropriate exhibition contexts.

The session also underlined the growing importance of exhibition and location-based models, particularly through museums, cinemas, festivals, and other cultural venues. However, the strength of these opportunities differs significantly by region. Some markets are actively exploring XR presentation models, while others face limited venue interest, limited technical capacity, or uncertainty about audience demand and business viability.

Market dynamics and rights conditions add further layers to this imbalance. European-level funding opportunities were noted to be concentrated in a small number of larger countries, with participants observing that this concentration can reinforce, rather than offset, existing regional gaps. National rules on intellectual property and rights ownership also diverge significantly: in some markets, adjacent sectors such as games are subject to domestic IP requirements, while immersive work is treated more flexibly and can allow foreign IP participation, adding a further layer of complexity for creators and producers seeking to structure cross-border XR projects.

Existing mitigation mechanisms — residencies, diversity standards, international missions, development grants, cross-border eligibility, and capacity-building initiatives — were recognised as valuable but insufficient on their own. In some cases, additional schemes can also increase administrative complexity for already under-resourced applicants.

The discussion suggested that formal fund-to-fund cooperation and bilateral funding schemes can be useful, but may be difficult to sustain because they require significant administrative coordination and long-term institutional commitment. More flexible approaches — including networking, ecosystem-building, matchmaking, and informal producer-to-producer connections — may offer more practical short-term pathways for supporting cross-border collaboration.

Overall, the session concluded that regional inequality in XR is both structural and contextual. Addressing it will require more accessible funding mechanisms, stronger local and regional ecosystem development, better support for producers and intermediaries, improved distribution of European-level opportunities, and practical support for cross-border collaboration that goes beyond formal agreements.

SESSION III

From Insights to Action: Alignment Pathways

The final session focused on how the discussion could be converted into realistic alignment actions. Rather than assuming that European XR funding can be fully harmonised, participants explored where coordination is feasible, where alignment is currently difficult, and what practical next steps could support funders and creators.

One of the clearest points of convergence was the need for shared terminology. XR, immersive media, virtual reality, augmented reality, mixed reality, virtual worlds, digital performance, interactive experience, location-based entertainment, and creative technology are used differently across programmes and countries. This inconsistency makes it harder to compare funding schemes, gather data, evaluate projects, and help creators identify appropriate opportunities. A shared terminology framework would not need to replace national or institutional categories, but it could offer a common reference point for funders, applicants, researchers, and policymakers.

The discussion also highlighted major data gaps. Projects may be funded under film, games, innovation, culture, digital, performing arts, or research categories without being consistently tagged as XR or immersive media, making it difficult to understand how much funding is reaching the sector and where the most significant gaps remain.

Exhibition and distribution emerged as a critical bottleneck. Many funding schemes are better equipped to support development or production than public circulation, venue adaptation, audience development, or long-term presentation. Yet for XR, exhibition infrastructure is often inseparable from the work itself: immersive projects often depend on site-specific conditions, including technical setup, spatial design, trained staff, and audience flow.

Several possible alignment mechanisms were discussed, including better mapping of XR exhibition venues, stronger links with cinemas and museums, exploration of free-roam and location-based models, consideration of tax incentives or other support mechanisms for exhibition development, and closer attention to the role of cultural venues as demand-side partners.

A broader policy challenge is that XR remains weakly integrated into many existing funding categories. When treated as a subcategory of film, it may be judged by film logic; as games, by commercialisation models; as innovation, expected to show technological novelty over cultural value; as contemporary art or performance, its production and technical requirements may be underestimated. A more effective funding landscape would recognise that XR can belong to several categories while still requiring specific evaluation expertise, production support, and distribution pathways suited to its own logic.

PRACTICAL NEXT STEPS

1. Develop shared terminology and reference frameworks for XR funding, helping funders and applicants understand how different schemes define, categorise, and assess immersive work.
2. Improve data collection and mapping across funding, production, and exhibition, including supported projects, regional distribution, venue capacity, and funding gaps.
3. Explore pilot actions for exhibition support, particularly around location-based entertainment, free-roam formats, cinema integration, museums, festivals, and cultural venues.
4. Continue structured dialogue between funders through a working group, recurring forum, or follow-up meetings connected to festivals and sector gatherings.

Concluding Observations

The Immersive Media Funding Think Tank made clear that Europe's XR funding landscape is active, knowledgeable, and increasingly attentive to the specific needs of immersive media. At the same time, it remains fragmented across national systems, regional structures, funding traditions, and institutional categories.

A recurring point throughout the discussion was that funding structures are not merely technical instruments — they reflect political decisions, public mandates, cultural priorities, and economic development strategies. For this reason, many elements of funding programmes cannot be easily changed without sustained work over time to inform and influence the political decision-making processes behind them.

This also means that European alignment cannot be understood as the primary mandate of most participating funds. National and regional funding bodies are generally not designed to support stakeholders outside their own jurisdictions, nor are they usually mandated to pursue European coordination as an objective in itself — their first responsibility is to the artists, producers, companies, institutions, audiences, and policy goals of their own territories.

The desire for European alignment, and in some cases wider international alignment with partners such as Canadian funding bodies, therefore comes from a more practical recognition: better coordination can strengthen the impact, visibility, resilience, and growth of each funder's own stakeholder ecosystem. Alignment is not about replacing local mandates, but about identifying where cooperation, shared terminology, better data, matchmaking, and complementary support mechanisms can make existing mandates more effective.

The discussion did not point towards a single unified European funding model as a necessary objective. Instead, it highlighted the value of practical alignment: clearer terminology, better data, stronger matchmaking, more flexible eligibility criteria where feasible, improved producer networks, and more targeted support for exhibition and distribution.

A further conclusion was that the future of artistic and cultural XR depends not only on development and production funding, but also on the conditions through which works reach audiences. Exhibition, distribution, venue adaptation, technical infrastructure, and audience development are not secondary concerns — for immersive media, they are often part of the work's viability itself. Strengthening these pathways will be essential if XR is to mature as a European cultural and creative field.

LOOKING AHEAD — AGORAEU

These findings arrive as the AgoraEU programme is being finalised for the 2028–2034 EU budget. As its Media+ strand is negotiated, this report's emphasis on more flexible eligibility criteria, recognition of co-production realities, more balanced regional distribution of funding, and dedicated support for exhibition and distribution offers a concrete reference point — not only for policymakers and stakeholders shaping AgoraEU, but for the broader community of funders and institutions across Europe that were not present at this Think Tank.

XR4Europe will use this report as a basis for continued dialogue with funders, festivals, cultural institutions, producers, and ecosystem organisations. Follow-up sessions are planned for UnitedXR Europe in December 2026 and NewImages Festival in April 2027, with the aim of advancing shared terminology, sector mapping, exhibition support pilots, and structured dialogue between funders.