



IMAGINE DEVELOPMENT

Creative Industries for trade and development gains

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The Economy of the imagination

- Creative economy concept is dynamic.
- Popularised after John Howkins (2001) published his ideas on creativity and innovation in his book *The Creative Economy: How People Make Money from Ideas*.
- According to him, the term “creative economy” refers to the socio-economic potential of activities that trade with creativity, knowledge, and information.

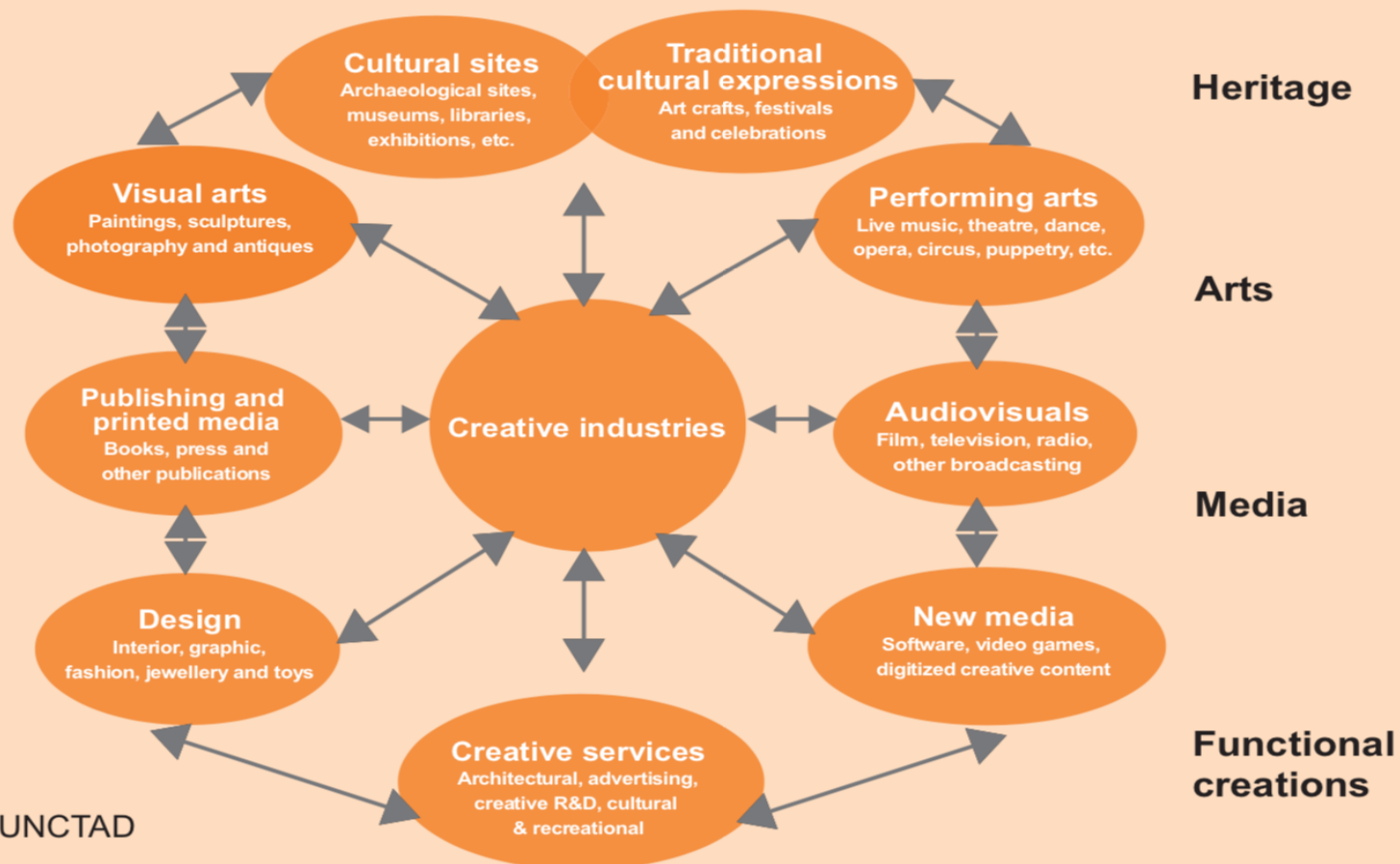


Economic activity at the intersection of creativity, commerce and copyright

- Essentially it is the knowledge-based economic activities upon which the ‘creative industries’ are based. The creative industries – which include advertising, architecture, arts and crafts, design, fashion, film, video, photography, music, performing arts, publishing, research & development, software, computer games, electronic publishing, and TV/radio – are the lifeblood of the creative economy. They are also considered an important source of commercial and cultural value.



UNCTAD classification of creative industries



Creative Economy for development:

- Can foster income generation, job creation and expert earnings while promoting social cohesion, cultural diversity and human development;
- Embraces economic, cultural and social aspects interacting with technology, intellectual property and tourism objectives;
- Is a set of knowledge-based economic activities with a development dimension and cross-cutting linkages at macro and micro levels of the overall economy;
- Is a feasible development option calling for innovative, multidisciplinary policy responses and inter-ministerial action; and
- Is a tool for the attainment of the Sustainable Development Goals



Measuring Value - Global Cultural and Creative Industries

In 2013, cultural and creative industries worldwide generated revenues of US\$2,250b and employed 29 million people

The 11 CCI sectors are an integral, massive and universal cornerstone of the global economy. In 2013, they generated US\$2,250b of revenues (3% of world GDP) and 29.5 million jobs.

US\$2,250b

Global CCI markets



29.5 million

Global CCI employment





TRADE IN CREATIVE GOODS

The size of the global market for creative goods has expanded substantially more than doubling in size from \$208 billion in 2002 to \$509 billion in 2015.

Over the period 2002 to 2015, developing economies' participation in creative goods trade was markedly higher than in developed economies, driven mainly by the performance of China.



Creative goods: Exports by regional economic group, 2002, 2015
 (Source: UNCTAD, 2018)

Creative goods: Exports by regional economic group, 2002, 2015			
	Value (in millions of \$)		Market share (%)
	2002	2015	2015
America			
FTAA	32.403	54.145	10.4
NAFTA	30.205	52.139	10
MERCOSUR	829	1.010	0.2
Asia			
ASEAN (10)	9.347	23.462	4.5
ASEAN (3)	49.021	198.600	39.6
Africa			
SADC	573	777	0.1
Europe			
EU27	85.119	170.783	32.7
International			
ACP	1.173	903	0.1
LDCs	100	299	0
SIDS	89	155	0

UNCTAD Creative Economy Outlook (2018), demonstrates the lack of regional data coming from Africa. The only recently available and consolidated data comes from the Southern African Development Community (SADC), which shows the region having less than 0.1% (or USD \$777 million) of the world's market share of the export of creative goods in 2015.

TRADE IN CREATIVE SERVICES

Creative services, an important element of the creative economy, are more complex to report, measure and estimate. However, they are likely to become one of the biggest future growth areas.

Firstly, creative services are expanding alongside the digital and sharing economies. Secondly, creative services can be more resilient to economic pressures. Lastly, creative services are heavily enmeshed with emerging e-commerce activity.

Creative services exports had annual growth rates of 4% between 2011 and 2015 (UNCTAD)





Potential Development Gains and Challenges

Creative economy can play a key role in:

- Supporting the productive capacities of developing countries, decent job creation, entrepreneurship, creativity and innovation, and
- Encouraging the formalization and growth of micro-, small- and medium-sized enterprises;

UNCTAD believes that creative industries can be key drivers for innovation and economic growth, if they are harnessed and developed appropriately. (Development gains are not automatic. There needs to be conducive conditions regarding the international environment as well as the national context for creative industries to flourish)

Potential Development Gains and Challenges

- + Digital revolution: consumer access;
 - Blocks & gaps,
 - Inadequate infrastructure.
-
- UNCTAD research shows that a key trend in creative economy is the shift from the production of creative goods to the delivery of creative services, a trend which is poised to accelerate. (*Lack of data on CE in developing countries is a problem*)
 - Need statistical capacity building to support developing countries ability to produce cultural and creative trade data.



THANK YOU

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