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Presentation

Development potential of international trade in creative services

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11TH SESSION MULTI-YEAR EXPERT
MEETING ON TRADE, SERVICES, AND
DEVELOPMENT
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Development Potential of International Trade in Creative Services

Directorate of Trade, Industry,
Commodity, and Intellectual Property

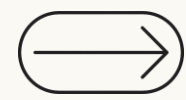
Ministry of Foreign Affairs of
Indonesia

Overview

1. Creative Economy in Indonesia
2. Indonesia's Policy on Creative Economy
3. International initiatives and cooperation on Creative Economy



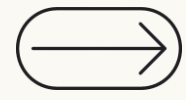
1. Creative Economy in Indonesia



Establishment of **Ministry of Tourism and Creative Economy** in 2011

Indonesia first recognized the potential of creative economy in the wake of 2008-2009 global economic crisis. The establishment of MoTCE is an attempt to build a resilience and pursue economic diversification.

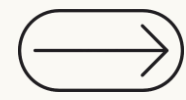
Definition



Undang-Undang (UU) No. 24 / 2019: Creative Economy is the “**embodiment of the added value of intellectual property generated from human creativity, cultural heritage, science, and technology.**”

17 Sub-Sectors

In Indonesia, Creative Economy covers 17 sub-sectors, as follows:



- Culinary
- Fashion
- Craft
- Games
- Film, animation, and video
- Advertisement
- Architecture
- Fine arts
- Performing arts
- Music
- Application
- Photography
- Publishing
- Product design
- Interior design
- TV and radio
- Visual communication.



How creative sectors support Indonesia's Development ?

CREATIVE ECONOMY
(Source: UNESCO, 2022)

3.1% Global GDP, USD 2.2 trillion



CREATIVE ECONOMY ADDED VALUE

\$ 78.9 billion

4.48% YoY

2022

\$ 82.9 billion

9.5% YoY

2024



CREATIVE ECONOMY EXPORT VALUE

\$ 26.94 billion

2022

\$ 27.53 billion

2024



JOB CREATION IN CREATIVE SECTOR

23.98 billion

2022

24.34 billion

2023

24.70 billion

2024

2. Indonesia's Policy on Creative Economy

POLICY STAGES:



Under the Vision “*Indonesia Emas*” 2045, Indonesia aspires to become “one of the world-class centers of digital and creative economy by 2045”.



2016-2025

Creative economy and digital economy become new sources of economic growth. Quick wins by focusing on some flagship subsectors (film, fashion, culinary, application & games, craft).



2026-2035

Creative economy and digital economy as drivers of the innovation-based economy.



2036-2045

Indonesia as one of the world class centers of digital and creative economy.

CHALLENGES

Improving access to finance

92.37%

entrepreneurs are self-funded

Enhancing IP Management

11.05%

entrepreneurs registered their IP

POLICY



Aims to widen access to finance such as:

- Fintech Business Matchmaking.
- Finance Management Class.
- People's Business Credit.
- Financing from SOEs.



IP assistance program:

- Providing financial and administrative assistance.
- Training of Trainers on IP.
- Facilitating the registration of geographical indication.
- IP education.



CHALLENGES

Creating Creative Economy Network

64 creative cities



POLICY

These were selected after going through rigorous selection process, measured by indicators, such as:

- the existence of creative economy-friendly policies in local government.
- the number of creative economy communities.

Supporting Innovation and skill development



Enhance the MSMEs skill, creativity, and performance in order for them to be successful in the competitive market.



INDONESIA'S DIPLOMACY CONSISTENTLY ATTACHES GREAT IMPORTANCE ON BEING "INCLUSIVE AND SUSTAINABLE" IN THE CREATIVE ECONOMY.



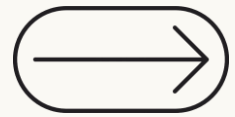
Focus Area:

- Widen access to global markets and expand international networks.
- Enhance capacity, value added, and competitiveness of Indonesia's creative economy.
- Advocate norms and rules in multilateral and regional fora, which would benefit the development of the creative economy.



Overcome challenges faced by Indonesia's creative services in the global market (IP protection, limited digital infrastructure, high production cost).

3. International Initiatives and Cooperation



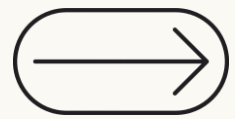
World Conference on Creative Economy

1st WCCE: Bali, November 2018

- Global Center of Excellence and International Cooperation for Creative Economy (G-CINC).

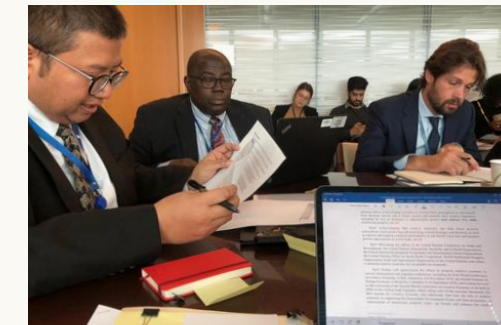
3rd WCCE: Bali October 2022

- Attended by 1000+ participants.
- Outcome document: Bali Creative Economy Roadmap.
- Cooperation between Indonesia - WIPO in strengthening brand and collective marks for national creative economy actors.



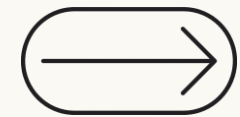
Resolutions on Creative Economy

- 2019 : UNGA Resolution on International Year on Creative Economy for Sustainable Development.



- 2023 : Promoting Creative Economy for Sustainable Development” by the 78th UN General Assembly.
 - The first substantive UN General Assembly resolution that specifically addresses the creative economy.
 - An important instrument for Indonesia to encourage more creative economy cooperation at bilateral, regional, and multilateral levels, which can provide tangible benefits for all nations.

3. International Initiatives and Cooperation (cont.)



Promoting Creative Economy for Sustainable Development

1

WIPO - ASEAN Workshop on Creative Economy 2023
Indonesia's 2023 ASEAN Chairmanship



2

Indonesia initiatives with WIPO

- Development Agenda Project on “Promoting the Use of Intellectual Property in Developing Countries in Creative Industries in the Digital Era”
- IP Booster for Businesses Project which produced newly-established collective marks “unBalivable”.

3

Indonesia - UNDESA Workshop on Social Inclusion in the Creative Economy Sector 2024

Way Forward



1

Enhance capacity and competitiveness of creative economy entrepreneurs

Assist their digital transformation, broaden the range of financing mechanisms, and support intellectual property management.

2

Facilitate creative economies to global markets and integrate them to global value chains

Strengthen labelling and industrial design to meet international standards, carry out more rigorous promotion activities and business-matchmaking.

3

Cooperation and coordination among different international organizations

Synergize efforts to facilitate joint capacity building and help improve reliability and validity of creative economy data at national and global levels.



MINISTRY OF FOREIGN AFFAIRS
REPUBLIC OF INDONESIA



Thank You

Directorate of Trade, Industry, Commodity, and
Intellectual Property
Ministry of Foreign Affairs of Indonesia