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Development potential of international trade in creative services

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The Development potential of Trade in **Creative Services- A Barbadian** Perspective

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Setting Context: What are the structural challenges hindering development in **Barbados**?

- Narrow manufacturing base \bullet
- Micro population
- High cost of living
- Geographically isolated from large consumer markets
- High costs of international transportation which is a function of both geographical isolation and lack of economies of scale
- High susceptibility to natural disasters







Why is trade in creative services viewed as a solution to Barbados' structural development challenges?

- Creative Services are weightless and instantaneous
- IP is the most valuable component of the value chain which limits the impact of the high cost of living on creative exports
- Barriers to entry lower than in other sectors such as manufacturing with high start-up and operational costs, agriculture which has high subsidies, professional services which have high regulatory hurdles.
- Given that IP is the main input of creative industries, where operations are affected by natural disasters, then operations are relatively less impacted than other sectors





Developmental benefits of trade in creative services for **Barbados-Cont'd**

- Trade is critical to the viability of a creative sector in Barbados.
- Given our micro population creatives need exports to remain viable whether through mode 2 exports in the tourism sector, through mode 1 in terms of international collaborations and mode 4 though international performances or even commissions for murals or installations.
- Understanding that trade is necessary for the viability of the creative sector in Barbados, then the transversal developmental benefits of the sector are also indirectly based on trade.
- These transversal developmental benefits include trade in creative services as a tool for the economic and social empowerment of marginalized groups such as women, youth, and minority groups such as the Rastafari faith.
- Additionally, trade in creative services have been critical in developing societal responses to the greatest existential threats of our generation such as the climate crisis.





What are the governmental barriers to trade in creative services faced by Barbadian businesses?

- Some of the regulatory barriers to trade that we see include local content policies and quotas, visa restrictions.
- Within the multilateral trading system, the audiovisual sector has generally been closed off. Very low levels of commitments and high levels of MFN exceptions relative to other services sectors.
- Mode 4 is one of the most relevant modes of supply for the creative sector, yet we have seen a reluctance by the developed members of the WTO to increase work on the liberalisation of this mode of supply.
- The UNESCO 2005 Convention on Diversity of Cultural Expression gave an obligation for developed countries to give developing countries preferential access to their markets and to facilitate the movement of cultural practitioners from developing countries. In the case of Barbados, the only tangible outcome from this provision has been the protocol on cultural cooperation in the CARIFORUM- EU EPA. However, even 15 years since the start of the provisional application of this agreement, we are still negotiating a work programme around making the protocol operational.





What are the competitive barriers to trade in creative services faced by **Barbadian businesses?**

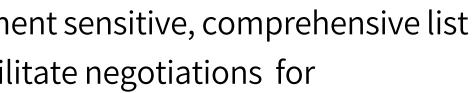
- Accesss to distribution networks
- Lack of physical infrastructure
- Lack of business infrastructure resulting in high informaility and an inability to meet international business standards (Lack of understanding of procedures to protect and coomercialise IP)
- High costs of doing business
- Lack of access to relevant skils
- Geoblocking by digital platforms





How can the global community revise the global trade infrastructure to increase SIDS share of global creative services trade?

- Use the frameworks within UN Trade and Development to create a development sensitive, comprehensive list of creative services for trade-similar to the ones which are being done to facilitate negotiations for environmental services.
- Developing countries must continue to use all avenues including UN Trade and Development, WIPO, WTO, UNESCO to address the concentration of digital distribution services and their exclusionary impacts on the creative sector developing countries.
- Develop frameworks which address the hurdles to temporary movement of creative professionals which limit access to international markets









Thank You

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