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Trends and outlook for creative services

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**“Multi-year expert meeting on Trade, services and development”
UNCTAD**

Session 1: Trends and outlooks for creative services

Question for discussion:

- What are the main trends in creative services?

Talking points (duration: 7-10 minutes / 1000-1300 words)

**Ms. Ana Luiza Massot Thompson-Flores, Director of the Liaison Office in Geneva and
UNESCO Representative to the United Nations in Geneva (Switzerland)**

Excellencies,
Dear fellow panellists,
Dear participants,
Dear colleagues,
Ladies and Gentlemen,

At the outset, let me remind us of the significant commitment made by 150 Ministers of Culture in 2022 during the **MONDIACULT World Conference on Cultural Policies and Sustainable Development**. They pledged to foster sustainable cultural and creative sectors, supporting the creative economy through the effective implementation of the UNESCO 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions, and the UNESCO 1980 Recommendation on the Status of the Artist, and called for a stand-alone goal for culture in the next development agenda beyond 2030. This includes guaranteeing the social and economic rights of artists and cultural professionals, facilitating mobility, and better regulating digital platforms.

Why recall the MONDIACULT Declaration? To emphasize that we already possess the instruments, tools, and political commitment necessary for the **sustainable and inclusive development of cultural and creative industries**.

As culture and creativity account for 3,1% of global GDP and 6,2% of all employment, and with exports of cultural goods and services having doubled in value from 2005 to 2019, 389.1 billion USD, there are significant opportunities for these sectors to play a pivotal role in sustainable development.

Public investment, however, has declined over the last decade, and creative professions remain unstable and underregulated. Looking at the Voluntary National Reviews of progress towards the 2030 Agenda, we see that only 13% acknowledge culture’s contribution to sustainable development. Disparities between developed and developing countries are significant, with developed countries leading the trade of cultural goods and services – accounting for 95% of total exports of cultural services.

The UNESCO 2005 Convention was a pioneer in establishing **links between culture and sustainable development and in recognizing the dual nature – both cultural and economic – of contemporary cultural expressions**. In the 2005 Convention’s holistic view of development processes, culture is generating direct social, economic or environmental benefits.

This perspective is increasingly being translated at the national level, with the integration of concrete goals around the diversity of cultural expressions in sustainable development policy documents, a trend that has remained stable since 2017. Additionally, there is a qualitative

expansion in the conceptualization of culture's role in sustainable development, driven notably by the 2030 Agenda.

Indeed, data reveals that in national sustainable development planning, the cultural and creative sectors are recognized primarily for **advancing cultural outcomes and driving societal transformations**, particularly in the realm of social inclusion. Resulting plans and strategies also harness secondarily the **economic potential of the cultural and creative industries**, especially in developing countries. For instance, identified as one of the rapidly growing sectors in the United Republic of Tanzania, the cultural and creative industries have been included in the National Five-Year Development Plan for the first time. Other countries, such as Ecuador, Georgia, or Zimbabwe have developed their first cultural and creative industries strategies. In some cases, such as in Azerbaijan, Colombia, Ireland or Jamaica, support to cultural and creative sectors is explicitly linked to expert diversification strategies and strengthening competitiveness in international markets.

Despite this progress, gaps remain in policy-makers' understanding of the economic potential of the cultural and creative industries and in insufficient funding. According to Voluntary National Reviews, these sectors are often marginalized in economic considerations, while their transformative social role receives more attention.

One of the main barriers to growth in the creative services is the **persistent imbalance in the flow of cultural and creative goods and services**. Article 16 on preferential treatment of the UNESCO 2005 Convention aims specifically to remedy this situation. Yet, preferential treatment measures are almost non-existent globally, significantly hindering the diversity of cultural expressions and increasing inequalities among countries.

Preferential treatment can be the result of cultural cooperation agreements or national cultural policies that afford certain privileges to cultural goods and services, artists, or other cultural professionals from developing countries. Measures may include co-production agreements, aid for production or post-production, distribution, broadcasting, or translation, fiscal measures, festivals, training, networking, mobility support, artist residencies, awards or other forms of recognition. These actionable measures could go a long way in ensuring a fairer exchange of creative services whilst protecting inherently their specific value.

Yet, between 2017 and 2020, no agreements were signed by developed countries included preferential treatment provisions. In the same timeframe, out of 85 bilateral investment treaties signed, only 5 contain cultural clauses. This shows that Member States rarely use trade agreements to grant preferential treatment to developing countries' cultural and creative sectors. Additionally, developing countries often do not leverage trade agreements to obtain such measures.

Moreover, the participation of developing countries in the trade of cultural goods and services has stagnated since 2017. Cultural goods and services from Least Developed Countries account for only 0,5% of the global trade in cultural goods, while developed countries dominate 95% of trade in cultural services – as I have mentioned before.

There are **many missed opportunities** to honour the commitment of developed countries to grant preferential treatment to artists and cultural professionals and cultural goods and services from developing countries, through trade agreements and beyond.

This discussion comes at a time when the rise of artificial intelligence is impacted the cultural and creative industries in an unprecedented way. The speed at which technologies are developing far outpaces the amount of time policy-makers need to respond to such challenges. Generative AI also raises multiple questions regarding the sustainability of the cultural value chain and the

diversity of cultural expressions, in particular in light of the **market concentration in the hands of large tech companies**.

This has the potential to prevent the cultural and creative industries from benefitting from the manifold opportunities digital technologies and AI hold, for instance to enhance creativity by offering new mediums for inspiration and collaboration, and for democratizing access to creative tools and platforms, potentially reducing barriers for underrepresented groups.

Simply put, there can be no real dialogue between cultures if all cultures are not equal and do not have the same capacity to express themselves and be equitably disseminated and distributed in all their diversity, including online.

I thank you for your attention.

Additional information

MONDIACULT declaration emphasizes that we already possess the instruments, tools and political commitment necessary for the sustainable and inclusive development of cultural and creative industries. As culture and creativity account for 3.1% of global GDP and 6.2% of all employment, and with exports of cultural goods and services having doubled in value from 2005 to 2019, 389.1 billion USD, there are significant opportunities for these sectors to play a pivotal role in sustainable development.

One of the main barriers to growth in the creative services is the persistent imbalance in the flow of cultural and creative goods and services. Article 16 on preferential treatment of the UNESCO 2005 Convention aims specifically to remedy this situation. It is one of the most binding provisions of the Convention, directly contributing to achieving SDG 10 and more specifically target 10.