

Multi-year Expert Meeting on Trade, Services and Development

Eleventh Session

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Opening Remarks

Ms. Rebeca Grynspan

Secretary-General of UN Trade and Development

Multi-year Expert Meeting on Trade, Services and Development

11th Session (10-12 July 2024)

Wednesday, 10 July 2024

10:00 – 10:30

Opening Remarks by Rebeca Grynspan

UNCTAD Secretary General

As delivered

Excellencies,

Distinguished guests,

Ladies and gentlemen, esteemed colleagues, dear friends:

- It is really an honor to welcome all of you to the 11th session of the Multi-year Expert Meeting on Trade, Services, and Development.
- For this 11th session, we will shift our focus to exploring the booming **creative economy**, a sector that has emerged as a beacon of hope in a challenging macroeconomic context marked by low-growth, stagnating trade, and declining foreign investment.

- As we argue in our upcoming Creative Economy Outlook 2024, in a storm of headwinds, the Creative Economy has just the right forces pushing on its sails. Two forces, in particular, stand out.
- The first is the growth of the services sector itself, as evidenced in high growth rates of services exports; according to our most recent data, the global trade in services is growing at almost double-digit rates, outlasting the digital-led boom that we saw during the pandemic. And the second is digitalization – the main driving force benefiting the creative economy.
- Digitalization has meant that the creative spark knows no bounds. The once-physical constraints of trade and commerce have given way to a digital frontier where ideas cross borders at the speed of light. This has unleashed a torrent of creativity, as artists, designers, and innovators from every corner of the globe connect, collaborate, and share their work with a global audience. Digital platforms have democratized access to markets, allowing even the smallest creators to reach consumers on a scale previously unimaginable. It is important to note that there is a strong demographic aspect to this trend, as younger populations are increasingly consuming digital creative content.

- As a result of these forces, the creative economy now represents about 3.1 percent of world GDP, 6.2 per cent of all employment, and 20% of all services exports. This translates into a sector that employs more than 50 million people, and that generates annual revenues of upwards 2 trillion dollars.
- The creative economy includes a wide range of industries such as advertising, market research, architecture, audiovisual, information, research and development, software services, and more recently, Artificial Intelligence. AI has the potential to reshape how creative works are produced, distributed, and consumed, reaching wider audiences and increasing efficiency; at the same time, risks abound in terms of how AI can displace jobs in this sector, as AI-generated texts, sounds and images can replace some of the functions of artists, architects, musicians, and writers. Whether they ultimately do so, and whether we as citizens remain capable at differentiating AI-generated art from human-generated art, is a question that remains open for policymakers, philosophers, and even lawyers – because there is also a big Intellectual property component to all this discussion.

- However, talking about AI should not make us forget the fact that the creative economy *is* culture. Cultural, recreational, and heritage-related services accounted for 0.6% of total exports of creative services in 2022. Promoting culture is essential as it contributes to sustainable tourism, diversity, urban development, social well-being, and ultimately innovation. We must be very clear here: there is no culture without creativity, and no creativity without culture.

Distinguished delegates,

- One of the key topics you will discuss this week is how to ensure that developing countries can open their sails to this growing market, and benefit from it as much as possible. There are three aspects here that I would like to emphasize very briefly.
- First, is the power of the economy to promote structural transformation. As we all know, relying on just a narrow economic base can make countries vulnerable to external shocks and downturns, in a world that is ever more shock-prone.

- The creative economy is crucial for diversification, with sectors like research and development and software services providing critical inputs for manufacturing, enabling the creation of new products and services, and fostering an entrepreneurial spirit.
- The second aspect is that the creative economy has a strong South-South component to it. South-South trade in creative goods has been increasing in the past decades, representing 25 per cent of total creative goods exports in 2022.
- Promoting south-south trade in the creative economy will help us ensure that we safeguard an important principle. Which is the principle that countries should not only consume, but also produce, creative content. This is not just a point about economic value; it is about ensuring that the global cultural landscape reflects the rich tapestry of human experience, in all its diversity and complexity.
- The third and final aspect is that the creative economy for all its potential, is not immune to challenges.

- As I said before, issues such as intellectual property rights, fair compensation for creators, and the digital divide remain pressing concerns. We must work together to create a level playing field where all creative businesses, regardless of their size or location, can thrive. This is particularly important for developing countries where only about 35 per cent of the population have access to the internet, and often lack the data, the resources and the infrastructure needed to fully participate in the global creative marketplace.
- This is why the UN Trade and Development established an informal working group following the 9th MYEM on Trade in Services, with experts that can identify data gaps and share best practices that can be considered for trade, services, and development policies. We will have the privilege of hearing more about this during the dedicated sessions here.
- Let me also highlight that tomorrow, we will be launching the 2024 Creative Economic Outlook. Your valuable feedback on this report will be crucial as we prepare for the upcoming General Assembly session in September and the World Conference of Creative Economy in 2024.

Ladies and gentlemen,

- The creative economy stands as a promising path in these challenging times.
- The issues are undeniably complex, and it takes a collective effort to confront them head-on if we want to navigate an inclusive future of the creative economy.
- As I mentioned earlier, this is not just art; it is an economic powerhouse that we must harness together, leaving no one behind.
- Let's remember something that I always say, you know, talent and creativity are the best distributed assets in the world. What are not well distributed are the opportunities, and that's why we are here.
- So, I look forward to a fruitful and engaging exchange in the next three days. Thank you.