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Sharing country experiences:

The role of creative services in development strategies

Mr. Ahmed Mohamed Ali

Chief of Executive Office

Ministry of Culture and Sport

Federal Democratic Republic of Ethiopia

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The Creative Industry in Ethiopia:

The Role for Development strategies

Ahmed Mohammed (Mr.)



Agendas

Introduction

Measuring the Role of Ethiopia's Creative Industries

The Contribution of the Creative Service to Sustainable Development

Opportunities of Creative service for economic diversification in Developing Countries

The Creative Service and Tourism in Ethiopia

The Barriers to the Ethiopian Creative Industry and Initiatives

01 Introduction

Ethiopia, with a total area of 1.1 million km², lies in the northeastern part of the Horn of Africa.

Ethiopia's topographical diversity encompasses high mountains and flat-topped plateaux, surrounded by lowlands, and dissected by deep gorges.



Ethiopia has 120 Million People with 70% young and 50 % women





Ethiopia is a diverse country with a rich and ancient history of creative art. The country is home to a wide variety of ethnic groups, each with their own distinct cultures and traditions.

The diversity of religions in Ethiopia, including Christianity, Islam, and traditional religions, has also contributed to the country's vibrant creative landscape.

In addition, the diversity of languages spoken in Ethiopia, as well as the country's diverse culture, further adds to its potential as a hub for creativity and innovation.

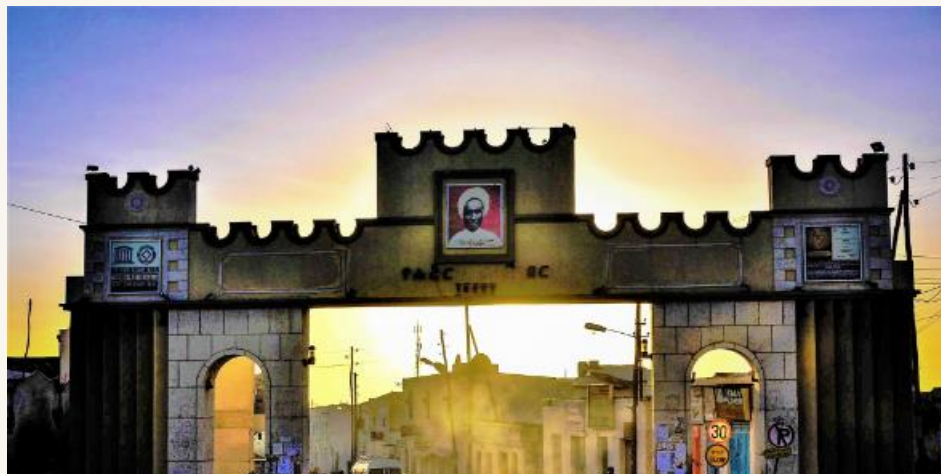
This makes the country with immense potential for creativity and creative industries.

Ethiopia's Rich History of Creativity

Ethiopia is a country with an extraordinarily long and storied history of creative expression and cultural heritage. From the iconic fossils of Lucy, our earliest human ancestor, to the stunning 3,000-year-old cave paintings found in the Harerge region, Ethiopia's ancient civilizations have left an indelible mark on the world.

This unparalleled legacy of ancient creativity continues to thrive and evolve today. Ethiopia remains a wellspring of artistic talent, from traditional artforms like music, dance, and craftsmanship to modern disciplines like design, film, and digital media. The country's rich cultural diversity, coupled with its long history of innovation, make it a truly remarkable center of creativity on the global stage.

The ruins of Yeha, Axum, Lalibela, Gondar, and other ancient sites bear witness to the technical and artistic prowess of Ethiopia's forebears. The diverse kingdoms and sultanates that flourished across the country, such as Axume, Lalibela, Yeju, Harer, Walasema, Bale, Hadiya, and Jima, each developed their own unique cultural traditions and forms of creative expression.



Creative Industry in Ethiopia

In a country blessed with over 81 diverse ethnic identities, each having their own way of expressing themselves through sound, music has been a part of the socio-economic fabric of the country for a long time.

The creative economy includes activities ranging from traditional folk arts, cultural festivals, books, painting, music, and performing arts to more technology-intensive areas such as design and the audiovisual industry.

Ethiopia has rich traditions of art, music, dance, crafts, literature, film, and other forms of creative talent, as well as vast reserves of cultural heritage and traditional knowledge not yet widely exploited.



The creative economy has a long tradition in Ethiopia

The culture and creative industries sector of the country holds great potential

The creative economy includes activities ranging from traditional folk arts, cultural festivals, books, painting, music, and performing arts to more technology-intensive areas such as design and the audiovisual industry.

The economic significance of the **creative** industries has gained increased attention over the past few decades

Where as Due to numerous factors and reasons that the country doesn't benefit from its creative potentials and global market opportunity of. creative economy



The Major Recognized Sub-Sectors of Creative Service in Ethiopia

Music



Film, Animation & Video



Circus

Visual Art



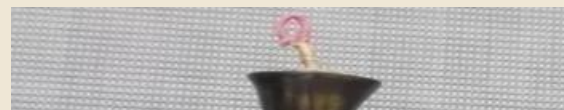
Fashion design and Modeling



Film



Handcraft



Publications



Emerging one is Software and AI

The Legal Framework for Ethiopia's Creative Industries

Ethiopia's constitution clearly recognizes the critical role of cultural industries in driving economic, social, and cultural development.

Legal Foundations: The 2014 Proclamation No. 1263 sets the policy framework for supporting the growth of creative industries in the country.

However, the existing cultural policy has focused more on preservation than actively developing the creative economy.

Key policy areas include:

- Cultural Policy
- Film Policy
- Language Policy



02 Measuring The Economic Contribution of CI

Key Statistics

➤ **The creative sector is a major growth pole in the knowledge economy.**

➤ **Global market demand for cultural content has risen steadily in the last decade. In economic terms, the cultural/creative industries sector is one of the fastest growing sectors of the world economy**

➤ The creative economy is rapidly growing, presenting opportunities for economic development and diversification, particularly in developing countries.

➤ Cultural and creative industries account for 3.1% of the global gross domestic product (GDP) and 6.2% of all employment.

- Creative economy contributes 0.5-7.3% of GDP in developing economies

- Creative economy employs 0.5-12.5% of the workforce in developing economies

- Creative goods and services constitute 3% and 19% of total exports respectively

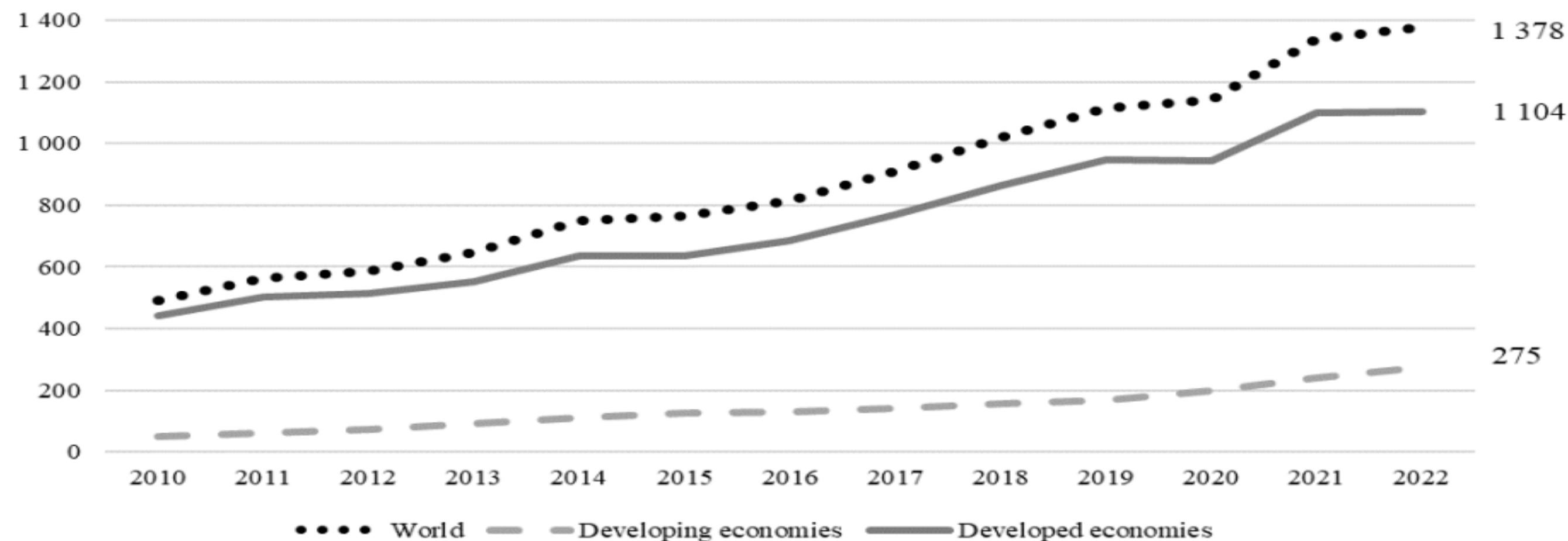
- Exports of creative goods have increased over 3.5 times since 2002

Global creative goods and services constituted 3 and 19 per cent of total merchandise and services exports

Figure 3

Exports of all creative services by developing and developed economies

(Billions of dollars)



Source: UNCTAD.

26. The bulk of creative services exports are concentrated among a few predominantly developed economies. The United States and Ireland are the leading exporters, at \$244 billion and \$231 billion, respectively. In Ireland, substantial contributions by multinational companies, particularly in computer services, are of note, since they report

Highly Concentrated Markets

In the United States, six movie studios account for nearly 90% of box office ticket sales, and three major music label companies control nearly 80% of the music recording market.

Digital Market Dominance

In 2023, Alphabet and Meta held a share of nearly 50% of the digital advertising market in the United States. In 2021, three companies accounted for approximately 59% of the global music streaming subscription market.

03. The Contribution of the Creative Service to Sustainable Development

Audiovisual Services

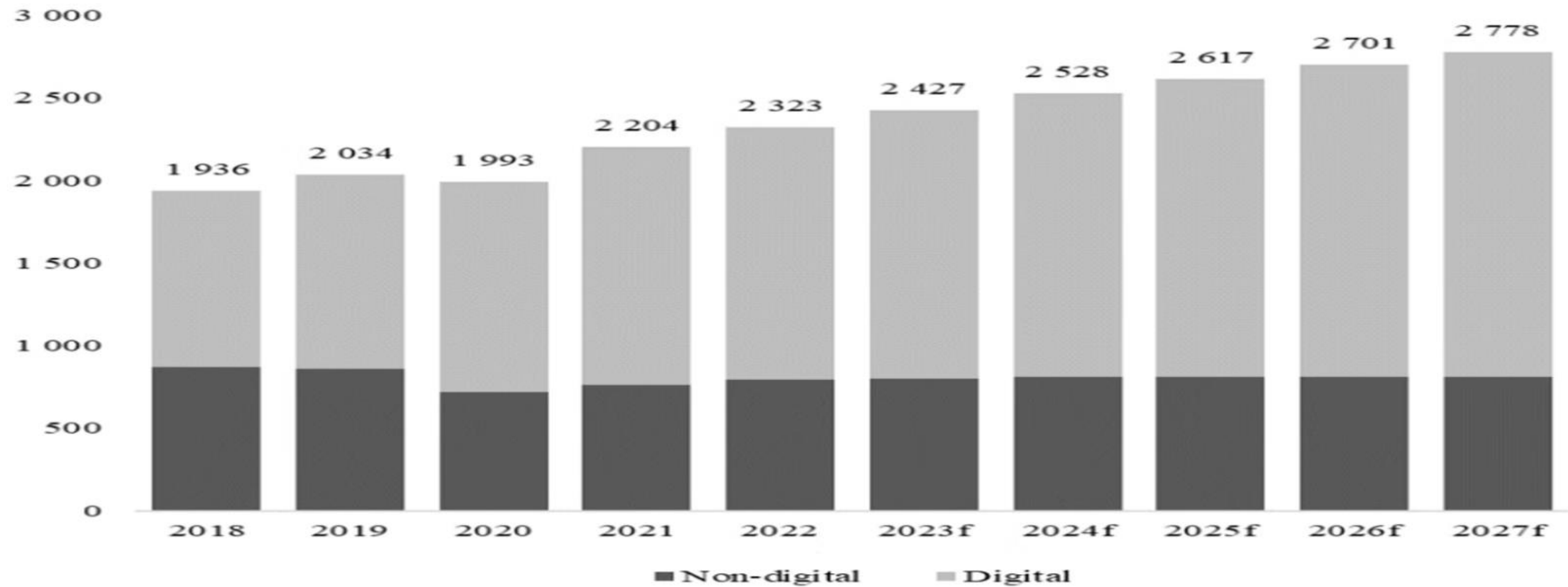
Audiovisual services, such as film and television, experienced a post-pandemic rebound, with box office revenues estimated to reach pre-pandemic levels by 2025 and \$48.4 billion by 2027. Subscription video-on-demand and other streaming services have grown significantly, including by aiming to offer more convenient, tailored and diverse viewing experiences. Traditional television has been declining in favour of over-the-top and video-on-demand platforms, with advertising revenues for the latter expected to double over the next five years.

Music Industry

The music industry has consistently grown across all regions, with global recorded revenues reaching \$26.2 billion in 2022, marking the eighth consecutive year of growth. The composition of revenue sources in the recorded music industry is changing. The physical sales segment that, for many years, accounted for over 50 per cent of total global revenues only accounted for 17.5 per cent in 2022, with a strong shift towards streaming services.

Video Game Industry

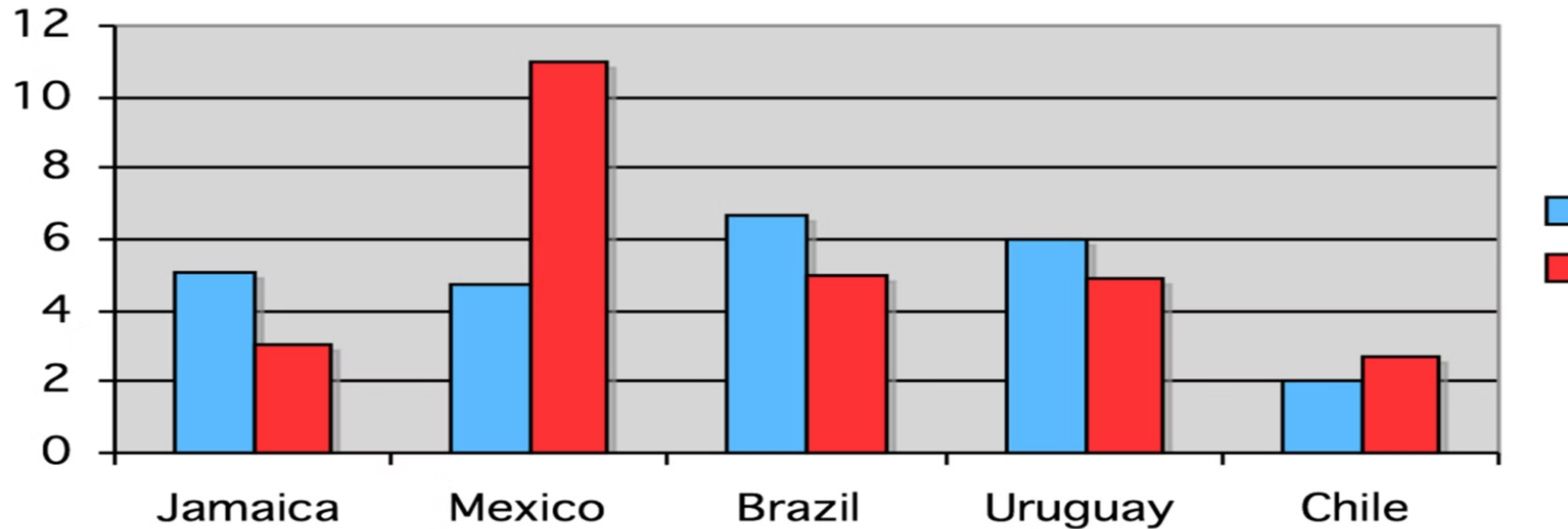
The video game industry has significantly outperformed the combined revenue of the film and music industries, with projected global earnings of \$227 billion in 2023. Electronic sporting events, that is, competitions involving video games, have seen significant growth in ticket sales, with increases of 100 and 150 per cent in 2021 and 2022, respectively. This growth is driven by technological advancements and demand for video games, leading to more game releases, sales and gaming options. In addition, the industry has explored innovative revenue sources, such as virtual concerts and brand collaborations.



Abbreviation: f, forecast.

Source: UNCTAD calculations, based on Pricewaterhouse Coopers, 2023.

Table 1 ; Global entertainment and media revenues



Source: OAS (2004) "Culture as an Engine for Economic Growth, Employment and Development" and WIPO (2006) National Studies on Assessing the Economic Contribution of the Copyright-based Industries. Creative Industries Series No. 1

Table 2; Creative Industries' Contribution to Select Latin American and Caribbean Economies

04 Economic Significance of the Creative Service in Ethiopia

The culture and creative industries sector of the country holds great potential

The creative economy includes activities ranging from traditional folk arts, cultural festivals, books, painting, music, and performing arts to more technology-intensive areas such as design and the audiovisual industry.

The economic significance of the creative industries has gained increased attention over the past few decades

Due to numerous factors and reasons that the country doesn't benefit from its creative potentials and global market opportunity of. creative economy

The creative economy has a long tradition in Ethiopia

Economic Contribution

Ethiopia's creative industries generated an estimated ETB 23,989,211,925 (approximately USD 1.3 billion) in 2012, accounting for 4.7% of the country's GDP.

Creative Services

The creative services segment alone contributed USD 92 among this Film Industry has 70 milion contributes a of 0.8% to the country's GDP. (British Council). It is also estimated to employ up to 31,000 people directly or indirectly

Urban Employment

Moreover, the creative economy provided urban employment for 240,287 people, with the largest contributions coming from core copyright industries like press, literature, radio, television, music, and performing arts.

- Ethiopia's centuries-old mastery of handicrafts, along with its rich cultural tapestry of songs, dances, poetry, stories, images and symbols, form the vibrant foundation of its creative industries.
- The majority of the country's diverse ethnic groups produce authentic, indigenous cultural products with little outside influence, giving Ethiopian artifacts a strong competitive edge in international markets.
- While the Ethiopian film industry contributed has shown a significant increase from ETB550,500,000 (USD30 million) to the country's GDP in 2012 – to USD 70 miliona in 2020 modest figure compared to booming industries in Nigeria and South Africa - recent positive signs suggest its promising future. However, the sector currently faces challenges like a shortage of qualified personnel and hesitant investor interest.

The Above data shows The potential for boosting sustainable socio-economic growth and employment through the creative industries in general and creative services in particular in Ethiopia remains untapped.

05 Culture and development

- A shift from traditional view of growth as per capital income and poverty reduction to human centered development approach created an opportunity for culture to be integrated to development agendas.
- Prioritization of sustainable human development or full development of people and communities, over other more econometric development models, which are focusing only on economic growth, per capital income and reduction of poverty which are parameters of development.
- Culture then affirmed a substantial component of human and sustainable development

05. The Contribution of the Creative Service to Sustainable Development



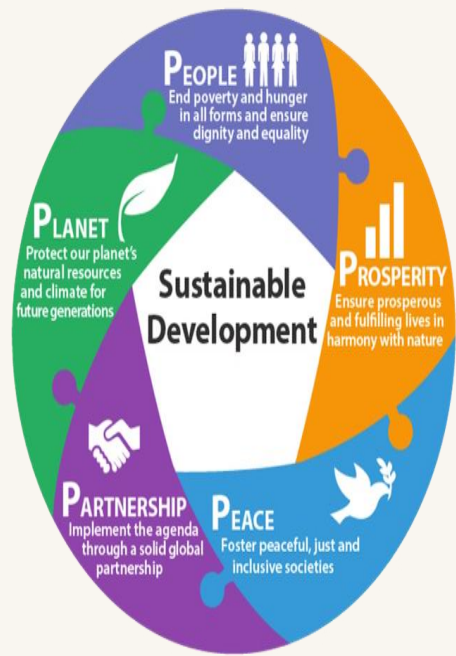
There is a growing interest in the socio-economic contribution of the creative economy.

The creative economy is closely linked with the "knowledge economy".

The creative economy is contributing to the Sustainable Development Goals (SDGs) in multiple ways.

It is spurred by the technological and digital transformation happening worldwide at an unprecedented rate and the increasing shift from an industrial to a knowledge-based economy where creativity and innovation are becoming critical.

The contribution of the creative economy to sustainable development was highlighted in the United Nations General Assembly:



Development Strategies Centered on Culture

Sustainable development rooted in culture has a high potential for resilience and renewal.

The Five Pillars of the SDGs

Development strategies that prioritize culture, creativity, and innovation can support the five key dimensions of the Sustainable Development Goals: people, planet, prosperity, peace, and partnership.

As Prime Minister Abiy Ahmed has highlighted, intergenerational collaboration is crucial for realizing this vision.

The creative economy represents a shift from an industrial to a knowledge-based model, where creativity and innovation are essential drivers of growth and development. This shift encompasses:

- Culture
- Technology
- Social aspects of development

Culture: An Enabler and Promoter of Sustainable Development

Cultural heritages and cultural diversity are the foundation for creativity and innovation. By leveraging these rich assets, we can unlock the potential of culture to contribute to the achievement of the Sustainable Development Goals (SDGs).

Culture has a crucial role to play in driving green, blue, and circular economies, which are essential for building a more sustainable future. Integrating culture-centered approaches into development agendas can further enhance the inclusivity and sustainability of our progress.

The Power of the Creative Economy

- Culture and creativity are at the heart of the creative industries, which in turn are central to the creative economy.

Creativity is a strategic asset that can provide a competitive edge in the globalizing economy, while also helping to maintain a country's cultural identity.

The creative industries and services, in particular, embody the three pillars of sustainable development - economic, social, and environmental - interacting with technology, intellectual property, and tourism objectives.

Creative services like music and film can contribute to changing attitudes, motivating people to break free from poverty. Music, for example, can be a powerful tool for sustainable urban development, helping to create "musical cities" and a vibrant "night economy"

[.\(1\) Nation nationality song - YouTube](#)

[Muda Sheda, Saron Tefery \(መዳ ሽዳ, ሳሮን ተፈሪ\) - Miso Negaya \(youtube.com\)](#)

The commercial and cultural value of the creative industries has become instrumental in driving entrepreneurship and innovation.

The Power of the Creative Economy

The creative economy is a vital resource for innovation, providing a space to test new solutions for economic, environmental, and social challenges.

Creative services, like music, can catalyze change and empower people, while also generating income through trade and intellectual property. The creative industry can empower local communities and foster inclusive, sustainable growth.

Creative services are essential inputs for manufacturing, contributing to product development and integrated business solutions. They can also enhance social capital and trust.

The creative economy can contribute to sustainable development strategies, particularly in promoting the green economy.

Culture's Vital Role in the 2030 Agenda

Cultural engagement, diverse creative expressions, and heritage preservation are essential for fostering human development and sustainable progress. The creative industries, rooted in cultural capital, hold immense potential to propel the success of the 2030 Agenda for Sustainable Development.

Offer new economic opportunities and generate income through trade and intellectual property rights. SDG targets of Goal 17 is linked for increasing export of developing Countries.

Creative services such as research and development and software services are essential inputs for manufacturing activities, as they contribute to developing new products and services and provide integrated business solution

culture/creative services contribute to sustainable development strategy is in promotion and enhancement of Green economy

06 .Contribution of creative service Economic Diversification

culture, cultural diversity and the creative economy are important resources for innovation

provide space to test out new solutions for economic, environmental and social problems

The creative services frequently work as catalysts, powerful engine of change and integration.

Creative services like music could contribute to changing attitudes, motivating people for freeing from poverty.

offer new economic opportunities and generate income through trade and intellectual property rights

the creative industry can empower local communities and foster ownership which is critical to inclusive and sustainable growth

facilitating economic evolution by their contribution to behavioral, social and institutional evolution (

Unleashing Creative Services' Economic Potential

Creative services in developing countries hold immense economic potential. These industries can generate income, employment, investment, and trade opportunities.

By accessing global value chains, creative services can help developing countries boost exports. The innovation inherent in these industries can also accelerate the shift to delivering creative services.

For example, Ethiopia's film and audio-visual industry generates up to \$70 million annually, contributing 0.8% to GDP and employing 31,000 people.

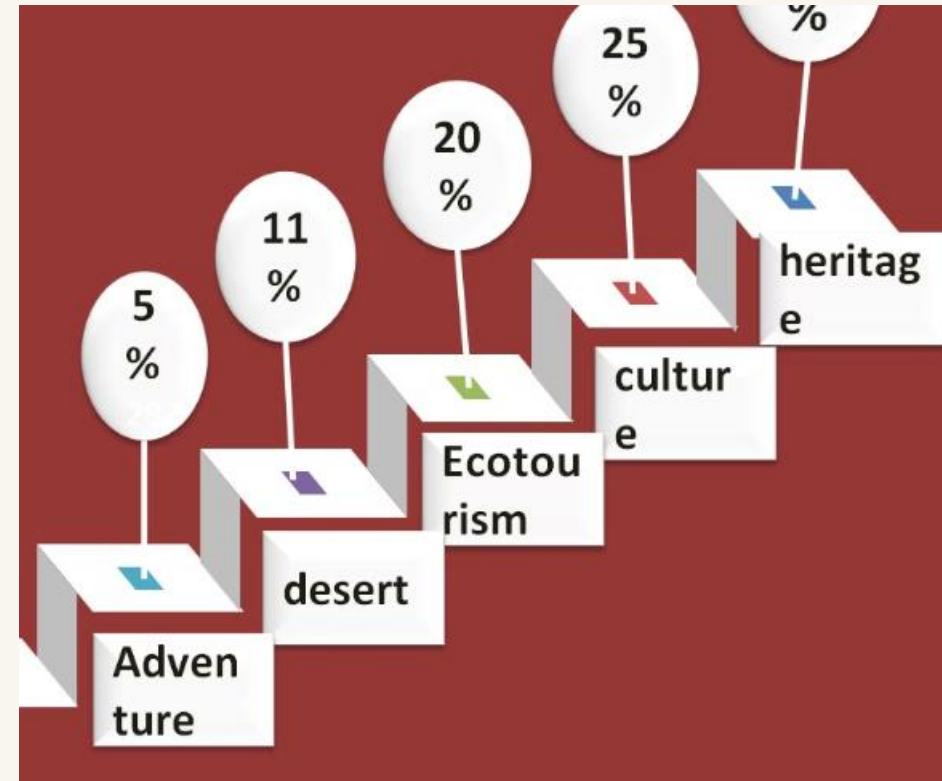
Developing countries must seize these opportunities to diversify their economies and drive sustainable development through creative services.

07.The creative Service and Tourism in Ethiopia

Cultural Diversity

Ethiopia offers a wide range of cultural diversity, this is what makes tourists both domestic and foreign interested in visiting

Key Statistics



In Ethiopia craft is the main source of livelihood for the tourism based area, with the main target market for crafters being visitors.

Tourism Opportunities

- culture

Challenges

Lack of plans and initiatives to support small artisans,

Exploring Ethiopia's Rural Gems

Ethiopia's rural areas offer a rich tapestry of cultural experiences for visitors. From vibrant dance performances to mouthwatering culinary delights, the country's artistic heritage is on full display. Travelers can witness the skilled artistry of rural artisans, who benefit directly from the growth of tourism.

Ethiopia's diverse musical traditions also draw in tourists. Each region boasts its own distinct sound and rhythms, allowing visitors to connect with the heart and soul of the country.



Tourism and Market Linkage



Handcrafts and
Sovenieurs



performing arts



culinary arts



Rural Women and Youth benefits from Tourism in Ethiopia

The music of Ethiopia is extremely diverse and attracts tourists

Unleashing Ethiopia's Creative Potential in Tourism

Ethiopia's vibrant cultural and religious festivals captivate visitors. From dance to cuisine, the country's artistic heritage shines.



Ethiopia's creative sector spans museums, galleries, photography, and more. These catalyze empowerment and inclusive growth.

Creative hubs amplify Ethiopia's cultural identity, generating opportunities and fostering development.

08 Barriers and Initiatives for Ethiopia's Creative Creative Industry

Ethiopia's creative industry faces several key challenges that have prevented it from reaching its full potential:

Limited Awareness and Access to International Markets - There is a lack of exposure and connections to global creative markets, hindering the ability of Ethiopian artists and producers to expand their reach.

Weak Enabling Environment - The infrastructure, policies, and support mechanisms needed to foster a thriving creative sector are underdeveloped. This includes a lack of financing options, poor facilities, and limited institutional capacity.

Difficulty Measuring the Creative Economy - There are no clear mechanisms or instruments in place to accurately track the size, growth, and impact of the creative industries in Ethiopia. This makes it challenging to develop targeted strategies and policies.

Despite these barriers, the Ethiopian government has demonstrated commitment to the creative sub-sector by establishing initial structures and frameworks. However, more needs to be done to fully integrate culture and the creative industries into the mainstream economy at the national level.

To unleash the potential of Ethiopia's creative industries, a comprehensive approach is required - one that addresses awareness, access, infrastructure, financing, and measurement. By investing in these areas, Ethiopia can harness the power of creativity to drive sustainable socio-economic development.

Weak Integration of Culture and Creative Industry INTO MAINSTREAM ECONOMY AT THE COUNTRY LEVEL

Weak Enabling Environment

Limited Awareness and Access to International market

lack of mechanisms /instrument for measuring the creative econom



lack of supportive mechanisms and incentives, poor infrastructure

Weak institutional and human capacity

Unable to identify specific sectors as a priority for international trade

Very limited Access to Financing

09. Nurturing Ethiopia's Creative Industries

The cultural and creative industries hold immense potential as a pillar of national development. By recognizing creativity as central to building robust systems of technological innovation, Ethiopia can unlock new avenues for growth and progress.

Key initiatives to address the hurdles facing Ethiopia's creative sector include:

1. Creating institutional mechanisms and building capacity to support the creative industries. **provision of finance and investment**
2. Establishing a comprehensive regulatory framework, legislation, and information systems to provide the necessary infrastructure - both physical and digital.
3. Strategizing to access international markets and stimulate creative entrepreneurship(**development of export markets/**(.
4. Designing innovative business models to maximize the trade and development goals of the creative industries**5.**
5. Establishment of creative clusters; and a mechanism for effective data collection and analysis as well as having partnership Strategy.

With the collaboration of the United Nations and other stakeholders, Ethiopia can nurture its creative potential and position potential and position the sector as a driving force for sustainable development.

6.0 Initiatives Ethiopia could introduce to address these hurdles with collaborations of UN and other stakeholders
Summary

Encourage Government to Recognize cultural and creative industries as a pillar of development and the nurturing of creativity as central to the building of national and regional systems of technological innovation.

Regulatory framework ,legislation and Information system

Creation of institutional mechanisms .Capacity Building

Encouraging international organisations like IDB, UNCTAD, UNESCO, and WIPO to work towards developing the creative industry in the Country

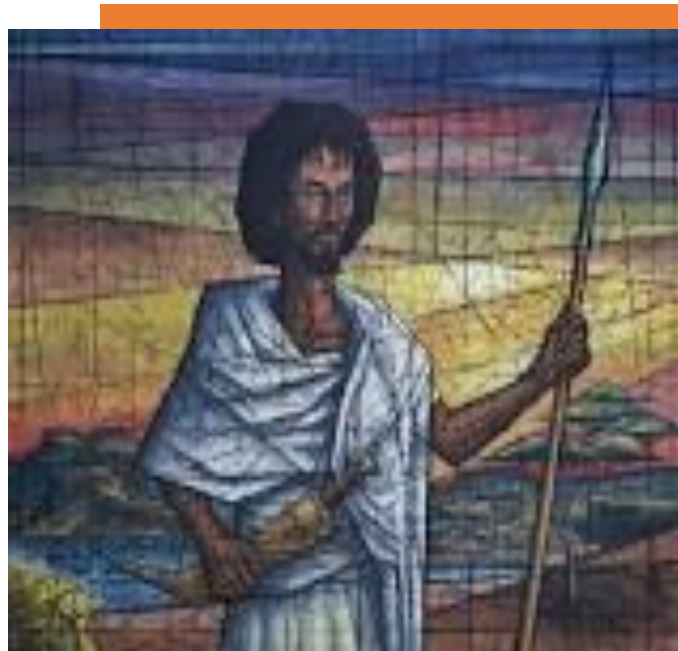
Provision of infrastructure both physical and digital as well as strategizing to International markets

Stimulating creative entrepreneurs and designing Business models

The Sub sectors Creative industry is a hope of women ,youth and disabled in urban and rural areas of Ethiopia



It is a means of Living for millions of people and is a hope for employment and income for many women,yuong etc



Thank You Very Much



- developed and developing countries, either by generating employment and income, or through the promotion of social inclusion, cultural diversity and so on. The creative services can contribute to build more inclusive, connected, and collaborative societies. It can help diversify production, build competitive advantage, attract investment, stimulate entrepreneurship and innovation, support the growing sector of services, and promote cultural diversity and well-being. The commercial and cultural values of creative industries have become instrumental in driving entrepreneurship and innovation. They offer new economic opportunities and generate income through trade and intellectual property rights. Supported by a dynamic value chain composed of small and independent enterprises, nonprofits, and professionals, the creative industry can empower local communities and foster ownership which is critical to