

# Introduction

The Creative Economy Outlook is a report by the United Nations Conference on Trade and Development that provides insights into the creative economy and international trade in creative goods and services. The report covers recent trends and developments in creative industries and international trade of creative products. This year's report focuses on the impact of digitalization and artificial intelligence on the creative economy, competition challenges, and sustainability efforts.

The creative economy is rapidly growing, especially in developing countries, and contributes significantly to economic development and job creation. UNCTAD's survey shows that the creative economy contributes between 0.5 to 7.3 per cent of the gross domestic product and employs between 0.5 to 12.5 per cent of the workforce in countries where data is available. Additionally, the total exports of creative services reached a record US\$ 1.4 trillion in 2022, almost double the creative goods exports, which reached US\$ 713 billion, highlighting the sector's substantial contribution to international trade.

Key trends in the sector include the rise of digital platforms and streaming services, increasing cross-industry collaborations, and the growing popularity of video games across various sectors.

Digitalization is a critical driver of the creative economy, with artificial intelligence playing a crucial role in transforming creative industries. While digitalization and artificial intelligence offer opportunities for growth and efficiency, they also raise concerns about quality, copyright, privacy, and content monopolization.

However, some creative industries are highly concentrated, leading to market concentration and hindering fair competition. Digitalization in the creative industries raises new concerns, particularly regarding market concentration and competition challenges.

The creative economy also offers opportunities for inclusion and environmental sustainability. The report highlights sustainable business practices that not only shape creative industries but also contribute to a more sustainable and prosperous society.

The outlook also responds to mandates by UNCTAD's Bridgetown Covenant<sup>1</sup> and the General Assembly resolution 78/133<sup>2</sup> on promoting the creative economy for sustainable development. These mandates tasked UNCTAD with providing analysis of the creative economy and international trade in creative goods and services.

The rest of the report is organized into five chapters:

Chapter I discusses global trends and new developments in creative activities, such as new business models driven by digitalization, gamification, and other cross-industry collaborations.

Chapter II presents and analyses updated UNCTAD data on international trade in creative services and goods and barriers to trade.

Chapter III explores how digitalization and artificial intelligence transform creative industries, considering the opportunities and challenges of technological developments.

Chapter IV examines the crucial role of competition policy for creative industries and explores market concentration and competition dynamics.

Chapter V highlights sustainable business practices in creative industries and underscores the creative industries' role in global sustainability efforts, particularly in decarbonization.

<sup>1</sup> See [https://unctad.org/system/files/official-document/td541add2\\_en.pdf](https://unctad.org/system/files/official-document/td541add2_en.pdf).

<sup>2</sup> Resolution adopted by the General Assembly on the creative economy for sustainable development, A/RES/78/133, 2023.

