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Report of the High-level Policy Dialogue on the Creative Economy for Development

UNCTAD XIII

Held at the Qatar National Convention Centre, Doha, on 26 April 2012

Summary prepared by the UNCTAD secretariat

Introduction

1. The High-level Policy Dialogue on the Creative Economy for Development was held on 26 April 2012 in Doha, as a special event of UNCTAD XIII. The aim was to further support governments to enhance their creative economies, as a feasible development option for advancing socio-economic growth, trade and innovation. During this intergovernmental policy dialogue, governments discussed policy strategies, multilateral processes and national experiences, as well as concrete initiatives to foster their creative economies. The session reviewed the work undertaken by the UNCTAD secretariat in fulfilling its mandate on this topic, and governments reasserted the important role played by UNCTAD in this area and its contribution to move ahead the policy and the research agendas around the creative economy and its development dimension.

2. As policies for the creative economy require strategic vision and innovative policy responses, the policy dialogue was structured around the topic “Creating the Future” and had three panels. The Secretary-General of UNCTAD in his opening remarks recalled that the creative economy was a dynamic sector that had grown beyond all expectations. The creative economy was booming in developing countries and currently had a market share of nearly 50 per cent in the global market for creative goods. The creative economy had become a priority sector in national development plans, and it did not require large investments and brings diversification in rural areas. The significance of creative industries increased so much that many countries were creating a Ministry on Creative Industries,

sometimes associated with tourism. In conclusion, he highlighted three points: (a) the creative economy could be the pinnacle of inclusive development; (b) the creative economy was a green industry that contributed to sustainable development; and (c) the creative economy encouraged and nurtured diversity in culture, ideas and thinking in a democratic manner.

3. The Minister of Culture, Arts and Heritage of Qatar, H.E. Dr. Hamad Bin Abdulaziz Al-kuwari, who was also the President of UNCTAD XIII, chaired the session with the assistance of a journalist from the Al Jazeera Network, Mr. Teymoor Nabili, who moderated the policy debate. Recalling that the creative economy had become a key driver to diversify and modernize the economies of several countries in the Middle East, he stated that Qatar made large investments as part of the national strategy to develop a favourable environment for the creative economy to flourish. The Museum of Islamic Art reflected the essence of contemporary Islamic architecture with a strong visual impact, housing a rich art collection from three continents and providing an insight into the cultural legacy of the Islamic world. Moreover, the state-of-the art contemporary skyscrapers that showcased the new image of the City of Doha were illustrations of how policies for enhancing the creative economy are being implemented and how they are bringing more vitality to the country. The Minister pointed out that UNCTAD XIII and this special session provided an opportunity for governments to present their own perspectives not only in terms of policymaking but also by sharing their vision and experiences regarding the challenges and opportunities they have been facing while putting in place national policies and initiatives to foster their creative economies. The purpose was to progress this policy agenda that brought together the economical, technological, cultural and social dimensions, calling for new insights and concerted policy actions. He concluded by emphasizing that there was no future without culture, and creativity was part of culture.

4. The Chief, UNCTAD Creative Economy Programme, made a comprehensive presentation of the main findings and policy recommendations of the *Creative Economy Report 2010*, the background publication for the debates. She introduced new economic indicators and released new trade data for creative goods and services for 2010. Despite global economic turmoil, demand for most creative products remained strong throughout the decade. World exports of creative products totalled \$559.5 billion in 2010; it more than doubled in only eight years, with an annual growth of 10.7 per cent in the period 2002–2010. Creative products were more resilient to the economic downturn because the new lifestyle of the contemporary society was increasingly associated with status, style, brands and interactions in social networks that were rooted around the creative economy. Moreover, advances in digital technologies and new business models were unlocking the creation and distribution of digitalized creative content such as music, games, films, books, advertising, etc.

I. The policy and institutional framework

Panel I

Creating the future: The creative economy in the contemporary society

5. Debates at the first panel focused on the policy and institutional framework and the role of the creative economy in the contemporary society. Ministers and high-level officials shared views on strategies and mechanisms to foster a more creative, sustainable and inclusive society. Panellists agreed that the creative economy was a top theme in the current international agenda, linking the past with the future. The creative sector provided job opportunities for youth and women on an equitable basis. In Nigeria, the Ministry of Tourism and Culture was the bedrock of creative activity working with other government

agencies to formulate relevant policies to diversify the economy. Nigeria had recently held its “Creativity Week” and the flagship of its creative economy was the film industry, which was currently the third biggest movie industry in the world; but, despite its aggressive marketing policy, there were still challenges to accessing international markets. South Africa was implementing a new growth strategy and sought to reduce poverty through the creative economy, which was a key sector for generating employment, since it included 7,000 small and medium-sized enterprises (SMEs) and could be used as an effective tool for sustainability and social cohesion. Creative economy policies were also being applied for shaping urban policies and accelerate socio-economic growth through culture and creative activities. A growing number of creative cities were targeting the cultural and social life and more tourism, as a tool to attract the creative class and creative entrepreneurs. The city of Cape Town was to be the World Design Capital in 2014 and the capital city of Helsinki in Finland was the World Design Capital 2012. The Deputy Mayor of Helsinki stated that the city was celebrating this status with projects illustrating how design was embedded in everyday life and had been a tool to improve social, cultural and economic life. Government and municipalities were attentive to design, innovation and cultural services involving private companies and public services. In Australia, the creative economy translated ideas into economic development and there were over 150,000 creative businesses registered, of which 90 per cent were SMEs. There were new frameworks such as the Creative Industries Innovation Centre, which helped to harness the creative industries by developing business strategies and helping to attract investments and the latest technologies. The aim was to bring together investors, industries and education to collaborate and share knowledge. Digital systems were important to link technology with creativity through education and business innovation. Intraregional and interregional cooperation was very important for nurturing the creative economy.

II. The creative economy: A feasible development option

Panel II

Building an inclusive, sustainable and creative economy

6. The second panel discussions centred on the assertion of the *Creative Economy Report* that the creative economy was a feasible development option, since it relied on ideas, knowledge, skills and ability to seize new opportunities. Currently, there was evidence that the creative economy offered great potential for developing countries to leapfrog and diversify their economies and better benefit from this high-growth, knowledge-based sector of the world economy. The challenge was how to build an inclusive, sustainable and creative economy. Smaller least developed countries, such as Zambia, were getting to the stage where they could engage their creative sectors, which were mainly driven by young people. The Minister of Trade and Industry of Zambia pointed out that the Government spurred creativity through institutional structures and was currently looking at trade of cultural products, particularly music. Lots of creative businesses were connected with new opportunities opened through the Internet. The UNCTAD study was helping the Zambian Government to develop a regulatory framework to help creators and artist to benefit from patents and intellectual property rights. The general manager of the International Federation of Arts Council Agencies, a global network of national arts funding agencies that has over 70 national members, voiced the views of the civil society recalling that the development of creative economies happened in a very short time but many organizations were finding it hard to advocate for better job conditions and funds to support the creative industries. Creative economies could be productively linked up with education and environmental sectors which is not yet the case. She emphasized the

need for capacity building and the importance of traditional knowledge and the contribution of indigenous culture.

7. In Brazil, the Government understood the growing importance of the creative economy and in 2011 set up the Secretariat for Creative Economy in the framework of the Ministry of Culture. Its mission was to lead the formulation, implementation and monitoring of public policies for local and regional development, giving priority to supporting and promoting professional and creative micro and small enterprises in Brazil. The Secretariat had the responsibility to make culture a tool for strategic development. It liaised with universities, local and regional research institutes and foundations, with a view to sharing information, knowledge, and experiences on the creative economy locally, regionally and nationally. Brazil was also launching its “Creative Brazil Plan” involving all the relevant ministries with a view to promote creativity and cultural diversity as strategic axes for development. Chile shared its experience on how public policies on arts and culture were being implemented in the country, arguing that it might be timely to revisit the design of those policies and the current methodologies, since there were new tools to promote innovation and creative capacities. There were about 30,000 creative enterprises in Chile but 83 per cent of them were micro-enterprises and their sales represented only 1.5 per cent of the total enterprise sales in the country. Less than 50 per cent of the population consumed creative goods and services; in the case of books, only 40 per cent of the population had read a book last year. Creativity increased the efficiency of the economies, but its contribution to the national economy might be much bigger than shown in the figures. Even if Chile developed inclusive and participatory mechanisms and created specific funds to support the artistic and cultural production, more efforts were needed to enhancing its creative economy.

III. Enhancing international cooperation around the creative economy

Panel III

The contribution of the United Nations system: “One United Nations - One Voice”

8. In the third panel, the focus was on concrete ways for enhancing international cooperation around the creative economy, and in particular the contribution of the United Nations system acting as “One United Nations – One Voice”. The session recognized that UNCTAD had been proactive in building synergy inside the United Nations system with a view to improving policy coherence, complementarities, developing joint projects and more effective international actions. A video was presented summarizing the work of the UNCTAD Creative Economy Programme during the previous eight years. Already in 2004, prior to UNCTAD XI in Sao Paulo, the Secretary-General of UNCTAD set up the United Nations Informal Group on Creative Industries, bringing together six relevant United Nations agencies that had been working collaboratively. Representatives of relevant United Nations agencies took part in the policy dialogue by informing about the plans of the agencies for the near future, what were their priorities on creative economy issues, and how their respective agencies could promote international cooperation on creative economy, and therefore contribute towards “creating a better future”.

9. For the International Trade Center (ITC), the main target sectors were crafts, visual arts and music in developing countries. ITC identified opportunities where creative ideas could be put into business through entrepreneurship, and its activities were market-oriented. It provided market information, training including e-commerce and advisory services to

support the creative industries and to improve the competitiveness of the SMEs in collaboration with local partners. ITC also worked with policymakers to encourage integration of a cultural dimension into national trade development policies. The United Nations Educational, Scientific and Cultural Organization's (UNESCO's) priority areas were to (a) place culture in the core of the economy; (b) provide support services for the protection and conversion of cultural values such as cultural diversity; and (c) deliver tailor-made technical assistance for enhancing cultural policies. UNESCO also helped to create a basis for international agreements and international conventions on various cultural issues. Creative economy was about creating linkages among culture, markets, community and trade. The United Nations Industrial Development Organization's (UNIDO's) priorities were based on requests from member countries, and there were many demands for assistance. UNIDO looked at industrial policies linked to creative economy and there were many constraints related to organization size and their isolation from the institutional environment. UNIDO worked in three levels: (a) the policy level by promoting a conducive framework for creative industries; (b) the institutional level through capacity-building; and (c) at the enterprise level by providing training to existing and potential entrepreneurs. Finally the United Nations Alliance of Civilization was a platform to mobilize political will and public actions, which also contributed to fostering the creative economy. They helped to increase better understanding between Western and Eastern cultures by helping to build partnerships and collaborative actions. As culture was a foundation for social transformation, it also contributed to the achievement of the Millennium Development Goals by helping to build self-reliant societies and communities, thus contributing for peace and development.

IV. Closing remarks: The way ahead

10. In conclusion, the UNCTAD secretariat emphasized that having anticipated the emergence of the creative economy and being undertaken pioneering work in this innovative area, UNCTAD intended to continue analysing its dynamics and implications for trade and development. The Creative Economy Programme had been working closely with member States, academia and civil society in this domain, and was prepared to fulfill its mandates. The creative economy offered more resilient, inclusive and environmentally viable paths to development. Governments could play a catalytic role by putting in place the policies, regulations and institutions needed to strengthen their creative economies.
