

The Creative Synergy Esprit Effect



Ten Steps

within Creative Industries related Projects

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Part I
Prologue:
Setting the
Stage

How do Creative Industries (CIs) fit in Industry and Development?

The Report on Culture and Development (Resolution 65/166) that UN Secretary General Ban Ki-moon had submitted to the UN General Assembly in September 2011 establishes UNIDO's presence on that systems-wide map, its contribution being clearly identified and recognized.

The report, coordinated by UNESCO, provides a broader mandate upon which UN agencies are called upon to structure collaborative activities for CIs.

It is significant that the defining role of cultural diversity is clearly spelled out because that **establishes the essence and distinguishing feature of CIs**: in terms of human creativity, knowledge-based intellectual resource and indigenous entrepreneurial capital.

The EU refers to CIs as operating within »an alliance« or »platforms for cooperation« following a holistic approach.

UNIDO has been assisting economies in shifting towards a more holistic approach focusing **on the interface** between culture and technology with industry and development.

Considering **Michael Porter's** »creating shared values« spanning beliefs to lifestyles, the CIs may well be referred to as »cultural economic enterprises« fuelled by culturally shared meanings.

The phenomena has other names: idea economy or creative economy, referring to the same currents of entrepreneurial communities going to market with a renewed spirit: the »Esprit« of seeking out each other's creative ideas and beliefs; applying them in innovative ways; and bringing them as public goods that will generate well being and green growth beyond materialism.

So that spells out "Creative SEE" – the Synergy Esprit Effect?

It is the very same effect scholar-activist **Jeremy Rifkin** refers to as a »democratization of energy« in his book, **The Third Industrial Revolution: How Lateral Power is Transforming Energy, the Economy and the World.**

Prof. Rifkin analyses the changes during the last fifty years and describes an »End Game« towards a new biosphere science »where we begin to enlarge our vision and think as global citizens in a shared biosphere«. On climate change, he refers to a shift in energy regimes that will require »collective stewardship« of the earth's ecosystems. He ushers in the new emerging era of »distributed capitalism«: of peer to peer collaborative business transactions replacing adversarial autonomous business models; of cross sector networks intensified by **Steve Job's** indelible impact upon an interactive digital generation that is working from collective trust in open-source social networks; of power relationships and structures being reorganized – where self-interest is subsumed by shared interest.

UNIDO has been in the forefront for recognizing the crucial role played by CIs in providing that Creative SEE with its needs-based technical intervention and assistance. Building blocks and nodes constitute **the Creative SEE within UNIDO's CI Framework** – one of 3 Focal Point Programmes within the Rural Entrepreneurship & Human Security Unit of the Agribusiness Branch of the Technical Cooperation Programme Division.

Building on analytical studies and ongoing discourse of international experts, this special issue has thus been created to showcase projects that are related within that CI Framework in Progress. It is meant neither as a policy or strategy position paper nor as technical analytical review.

This special issue is meant to clarify and highlight the varied roles of Project Staff and National Counterparts and to celebrate their diverse concrete achievements altogether making up **the Creative Synergy Esprit Effect of UNIDO's creative human connectivity.**

This will therefore be shared primarily with colleagues and counterparts in Ministries of Industry and/or Trade & Commerce to provide a coherent perspective and a common framework in progress on what CIs can offer for developing countries.

And that »Esprit« is also addressed to prospective stakeholders and partners for north-south & south-south collaboration in both the public & private sectors such as chambers of commerce & industry.

Part II Insight: Context and Perspectives

Why tell the Story?

Responding to a question about the relationship between Creative Industries (CI) and the Green Movement at this summer's European Forum Alpbach, Austria, **Kandeh K. Yumkella, UNIDO Director General** said that addressing climate change and green growth present tremendous opportunities. He was emphatic that creative capacity building in those areas needs to be seen as an investment that can make a decided difference for increasing productive and entrepreneurial activities especially for the poorest of the poor in developing economies.

The need is also there to bring together voices of advocates who will enhance a better understanding of the role of CIs as drivers of the creative economy and as a multi-lateral contribution towards the UN's Millenium Development Goals (MDGs).

The UNCTAD Creative Economy Report 2010 reconfirmed earlier findings: CIs are a feasible development option and called for sensitizing potential partners in all countries about their potential in fostering socio-economic development.

What's the Buzz about Factoring in Creativity and what Critical Difference does it make?

During that event within the Global Social Business Summit in Vienna on 12 November 2011, Prof. Yunus retold his famous »green food« story: on Danone's offer to produce yoghurt for poor communities in Bangladesh. The process took long because Danone's R&D developers had to go back to the drawing board several times to fulfil certain conditions. After the initial prototype submission, the Professor asked: but, if poor people were to pay for the packaging, why the usual plastic; could that be bio-degradable instead? Done. But, the cups could also be edible; and, they should be nutritious too. He pointed out that by raising such issues, Danone's Research & Development staff had admitted that their creative juices had been stirred; bringing design and innovation to new directions, they began to feel involved in corporate social responsibility.

»There is creativity in everything we do but it does not confer rights. Intellectual Property Rights (IPR) are exclusive rights to allow artists to benefit from the 'fruit' of creativity. But rights do not have to be exclusive such as, for example, traditional knowledge and geographical indicators.«

Zhen Ye, UNIDO Consultant, lecturing at the Fatima Jinnah Women University, in Pakistan on Women Entrepreneurship in CIs.

Nobel Peace Laureate Mohamed Yunus engaged in a public dialogue on »What can Art do for Social Business?« with his daughter, **Monica Yunus, opera singer and social activist**, who established Sing for Hope as an NPO-resource for New York artists to use their art for social outreach. Both emphatically said that it's all about tapping into creativity with connectivity.

Creativity is...

...the untapped natural human resource that developing countries have yet to mine and harness for the great potential that it can contribute to economic prosperity for cultural exchange and for social justice...

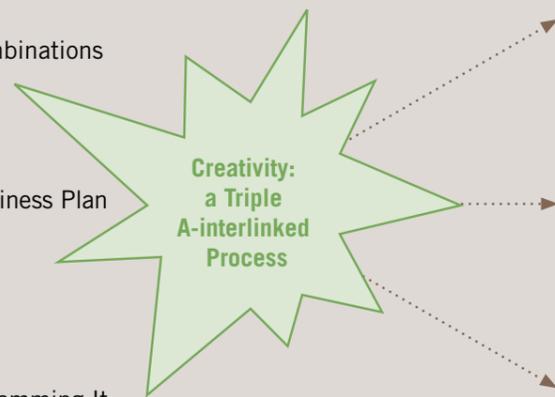
Creativity is Esprit:

the inspirational energy that spurred many individuals to industrial ventures with visions; the insight that got lost in translations of standard procedures and mechanized routines; the muse that refuses to be seduced into dark alleys or secluded rooms with a view...

Creativity, value-chained through entrepreneurship, constitutes the poor people's »Triple A Passport«: an interlinked process to markets and global destinations out of poverty situations and dependency traps...

Distinguishing Values & Characteristics of Creative Entrepreneurs

- C** ultivating change & making combinations
- R** esearching/rediscovering Roots
- E** xperimenting for Innovation
- A** rticulating the Strategy cum Business Plan
- T** esting the ground/market
- I** maginatively reconstructing
- V** alue-chain adding/Assessing
- E** ntrepreneuring for Business & Jamming It: joyful activities making sense



ASPIRATION

Imagining big picture contexts of Concerns

ATTITUDE

Spotting Opportunities for Change

ABILITY

To Act responsibly

C. Antonio, Green Growth Forum, Brussels, 2011

Can CIs deal with Issues that are here-to-stay?

»The transformative power of Austrian Creative Industries« was the theme of the 3rd Exhibition that creativ wirtschaft austria of the Austrian Federal Economic Chamber system, held in Brussels on 8 November 2011. Its head Gertraud Leimüller, called it »a celebration of Change Makers in Austria's creative economy and who, in that role, drive other branches positively for ecological and social progress.«

Specifically referring to the fact that many young Austrians also further positive developments on a wider basis in Europe, she called upon the EU-Commission to include the creative industries sector within the framework of two crucial programmes: Horizon 2020 – as a follow up to the 7th Research Programme which targets Regional Development within the period 2014-2020. The EU-Commission has given recognition to the Austrian position within current activities such as the European Design Innovation Initiative and the European Creative Industries Alliance.

Richard Florida, author of *The Rise of the Creative Class*, has been so often quoted for what might well describe what is referred to here as the Synergy Esprit Effect: »...when artists thrive in a town, it is a sign that the environment is healthy. Investment will tend to go where clusters of creativity, knowledge and talent come together.«

Even if the current economic turbulence and winds of the financial crisis blow over, structural factors will stare back at humanity's efforts to progress like cold and insurmountable granite mountains...

...global climate change, inequalities in well being and mass non-participation of the world's 7 billion population, 1/3 living well below the poverty line...

The jingle rings true:

CIs are not a trend; they are not an expense;

They are knowledge-based sustainable investments.

Creative Industry is no longer a questionable Concept?

CI is not a theory spun from ongoing paradigm shifts. It is an economic phenomenon with culture-driven and critical mass appeal. A great deal of mystique surrounds it.

There are those who feed the fears of risk-averse investors by claiming to crack the codes. The evidence demonstrates that many micro/small CIs have been responding in agile and courageous ways to what might be referred to as a coalition of creative and green economies or »green growth concerns« such as:

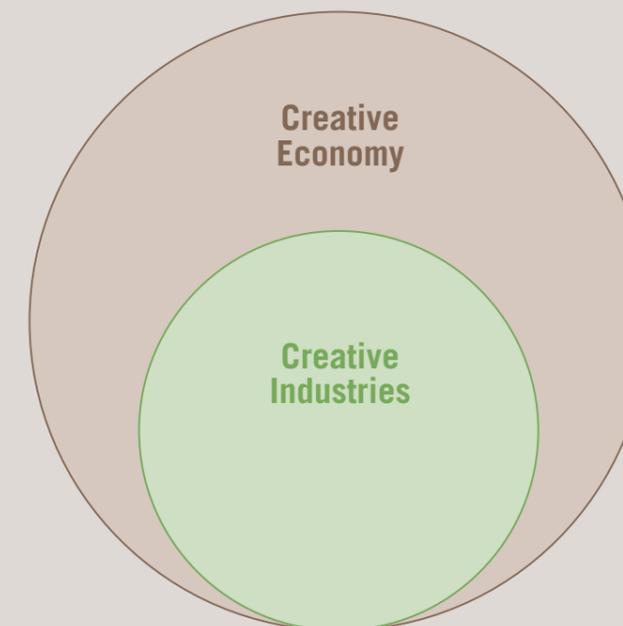
climate change challenges that endanger planet earth's long term survival; lack of food security and unsustainable food import burdens; institutional deficits in health and education; youth unemployment related to involvement in illegal trafficking and drug abuse.

Above all, racial disharmony continues to bedevil countries due to cultural-political factors that hinder the development of unique historical and identity constructs as cultural resources.

Creativity platforms have established linkage formats to integrate specialists conducting relevant research. And, as the »Arab Spring« shows, policy makers need to sit and listen and reason with popular and grassroots activists, especially the most critical but often excluded population groups: women, youth, rural people and ethnic minorities.

How are CIs distinguished from classical Manufacturing Industries?

UNIDO is guided by the UNCTAD definition and classification of CIs provided in the following adapted charts:



Creative Industries

Use creativity and intellectual capital as primary inputs.

Comprise tangible goods and intangible services with creative content, economic value and market objectives.

Produce creative products generating revenues through trade and intellectual property rights.

Are at the crossroad among artisan, manufacturing and services.

UNCTAD Creative Economy Report 2010

The basic nature of CIs can be gleaned from aforementioned reports, CI sector analysis by independent researchers and the growing scholarly literature as well as from relevant discourses at global levels and online platforms.

CI characteristics are indeed discernible and can be distinguished from traditional manufacturing units, »industrial clusters« and other cooperative economic groupings because of **7 key features** that spell out what is suggested here as the »Creative SEE or Synergy Esprit Effect«:

And how do they relate to big Picture Entities such as Creative Economy and Green Movements?

- ➔ CI's primary inputs are the creative imagination and intellectual property, which need to be constantly challenged for innovative applications deriving from a cultural basis of shared meanings by all involved in the process of turning a creative idea into a market-performing proposition.
- ➔ The common trend within CI is to transform cultural heritage and traditional knowledge into precious objects of desire and services not only for commercial profit but especially to express pride in re-presenting **cultural identity as a Public Good**.
- ➔ Design and high quality craft are seen as critical elements not just for building market niches and ensuring competitiveness, but as a shared value for all who are involved in the Creative Value Chain.
- ➔ CI intrabusiness linkages are based on a project-by-project basis where micro/small and medium enterprises (MSMEs) retain their status as »primus inter pares«.
- ➔ CI practitioners function much more freely because they do not have to operate as those who are structured within the bounds of clustered MSMEs that have a common industrial-sector organizational base as in many textile, food, or leather industry groups.
- ➔ CIs are intensely global-oriented and interactively digital, which dictates the nature of their networking: they act as freer and more independent entities than traditional MSMEs that may be bound within the mindset, structure and rules of industrial clusters.
- ➔ The CI sector is not as self-contained as industrial clusters because they include both for-profit and non-profit creative activities, the latter having spill-over effects for gainful productivity in variously related sectors of the creative economy.
- ➔ UNCTAD's Creative Economy Report and several Country Reports including those of Brazil, China, India and the Philippines, demonstrate with ample evidence that, in comparison to other forms of economic enterprise, a creativity-spurred and knowledge-based CI sector tends to be more resilient to external shocks.

Camilo Antonio, presenting UNIDO'S CIs at the Caribbean Green Growth Investment Forum in Brussels, 6 October 2011, referred to UNCTAD linking the creative economy with direct applications to the emerging green economy. He illustrated UNIDO's interventions through varied applications and their incremental effect within MDGs and ecosystemic perspectives using an integrative development of creative industry holons.

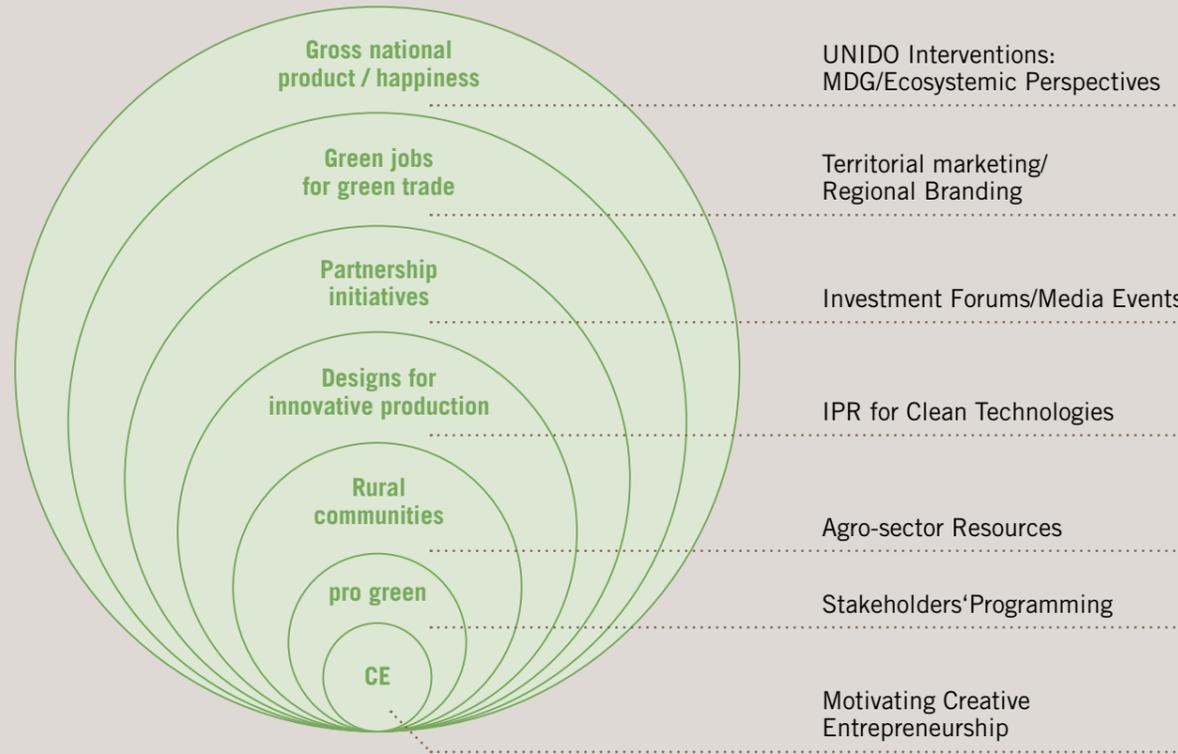
Creative Economy and Green Economy are mutually supportive

- ➔ Creativity and intellectual capital, contrary to the use of non-renewable natural resources, are the main inputs for creative production
- ➔ Transition from over-consumption. To ethical consumerism: eco-fashion, eco-tourism
- ➔ There are losses in ecosystem, livelihoods, and lives because of unsustainable and polluting 'business as usual'
- ➔ Most creative industries are environmentally-friendly: have low carbon and water footprints. Use, re-use, recycle
- ➔ Creative industries is knowledge and services-intensive, creating more of greener products as compared to traditional manufacturing

UNCTAD Creative Economy Report 2010



Integrative Development of Creative Industry Holons:



The evidence in trend-setting entrepreneurial business activities geared for global scenarios suggest that cultural heritage and knowledge-based CIs have wide-ranging implications:

CIs are considered holons as they simultaneously exist as »autonomous self-reliant units« and as dependent parts of a larger whole.

From basic needs to changing lifestyles – thus, encompassing innovative productive capacities as leisure, wellness & health, tourist & festival destinations.

Thus, CIs have become important as drivers not only for socio-economic development but also especially as a vital source for communities and individuals to assert their diverse cultural identities and legacies, which leads to further creativity and human development with ecosystem concerns.

So, what follows from all that?

In ten steps, this special issue provides a layered, if non-linear Contextual Narrative of UNIDO's Engagement in Creative Industries.

This emanates from UN Mandates to promote the creative economy and in response to specific requests from member states for technical assistance in developing CI sectors towards systemic global purposes.

Taking a narrative approach, the ten steps serve as qualifiers to indicate that CI is a work-in-progress whether as a strategic programme or as a conceptual framework.

Coming from a variety of voices – derived mainly from project-related experience and learning from experiential impact – the stories can enlighten interested parties and stakeholders, especially potential investors, on the complexities involved: on the manifold approaches that creative professionals and practitioners employ.

Part III
Narrative
Content:
10 Steps
within
CI Projects

Step 1:

Keeping in step – blazing the Multilateral Assistance Trail

When and where did the Journey begin?

February 2005, in Jodhpur, Rajasthan, India UNIDO joins UNESCO, World Intellectual Property Organization, UN Economic & Social Commission for Asia Pacific, the World Bank and the Asian Development Bank in convening a Senior Experts Symposium on Asia-Pacific Creative Communities.

The problem and the region's challenge required CIs and the Creative Economy of which they are a part to be fully recognized as a source of capital assets for development.

However, the socio-economic value that they are capable of generating remained largely untapped and cultural legacies were being endangered especially in a region that was considered »home to many of the worlds greatest and oldest cultures«.

Step 2:

Agreeing on a Consensus

What did the above Symposium produce?

»**The Jodhpur Initiatives**« – a Consensus Strategy for the 21st Century – with a new vision where cultural industries are firmly embedded within Asia-Pacific development goals – thus, calling on stakeholders to support that vision with political will and commitment.

George Assaf, then UNIDO's Regional Director based in India, who co-hosted the meeting, was uniquely placed. He referred to the United Kingdom, his own country's experience, acknowledging the performance of its growing number of Cultural Industry Development Agencies as valuable tools in demonstrating cultural pluralism and ethnic diversity and contributing to the United Kingdom's vibrant creative economy.

That UNIDO impulse contributed to the adoption of the Consensus with a clear policy framework and an Action Plan to promote cultural industries as a solid basis for focused and coherent inter-Agency assistance.

What is in Essence UNIDO's basis for supporting CI's?

UNIDO's basic position had also been reflected in the Jodhpur Consensus document: »Cultural industries need recognition«

for the contribution they make to poverty reduction measures because they have an enormous potential for sustainable development by creating jobs and generating incomes while producing knowledge-based goods and services for high export markets.

But how were Cultural Industries distinguished from Creative Industries?

Cultural industries cover a wide range of economic activities: from heritage sites and architectural design to arts and crafts through music, fashion and film to publishing and the multimedia industry. Cultural and creative industries are interchangeably used.

What they have in common is what makes them interchangeable: creating content and intellectual property rights by applying creativity and intellectual competency as primary inputs to the production of goods and services.

Step 3: Gearing up for Change

So what did the Move entail?

The move towards facilitating CIs demanded a change in mindsets:

to recognize the critical function of creativity as a primary input to drive productivity as well as the rights that creativity confers in terms of patents, intellectual property and copyrighted goods which have sustainable, albeit not quick but incremental, cultural and socio-economic benefits.

Already at that point, UNIDO's agreeing to promote »Creative Small Medium Enterprises« was neither a dramatic pacing nor a big jump.

That Small Medium Enterprises (SMEs) play an important role in sustainable development had long been embedded in the organization's policies and strategies. Its technical cooperation programmes have documented that SMEs contribute significantly to long-term economic growth, jobs and poverty reduction programmes.

What did Asian and Pacific Ventures reveal?

The Jodhpur Symposium revealed that countries in the Asia and Pacific have come a long way in creative entrepreneurship which provided important spin-offs for industry at large. Innovative approaches through changed mindsets can appreciate great economic opportunities that can be derived when CIs are integrated as business incubators for entrepreneurship and start ups to stimulate technological innovation for enterprises within value chains into global trade flows.

Creative industries have demonstrated capacities for resiliency in times of crisis. They can flexibly merge into multifaceted creative ventures and/or spin-off as creative SMEs for self-employment.

Nevertheless, most micro/small & medium enterprises are vulnerable and require the support of an enabling environment with appropriate policy measures and access to financial support, market outlets and a system of recognition and awards. Therefore, technical assistance programmes should form synergies with larger business and creative networks to strengthen the value chain.

Step 4: Enlarging Frameworks

In concrete and specific Ways, how did UNIDO respond?

Inez Wijngaarde, who participated in Jodhpur as UNIDO Project Manager, subsequently worked with consultant **Teresa Salazar de Buckle** who conducted analytical studies from case studies on CI-activities focusing on countries in Central, Eastern and Western Asia.

That work, involving field visits, resulted in a UNIDO UNESCO/UNIDO Joint Initiative: »Creative Industries and Micro & Small Scale enterprise development – A Contribution to Poverty Alleviation (2006). That joint paper constitutes UNIDO's initial effort in mapping out a comprehensive and coherent picture of the link between the creative economy to industry and development. The working definition proposed for »creative industries« was derived from what had been widely quoted as seminal and reference work: the **UK Labour Government CI Mapping Document (1998)**.

Coincidentally in 2007 when that joint contribution came out, two crucially important related documents were published: the first, by UNESCO on »Statistics on Cultural Industries, Framework for the Elaboration of National Data Capacity Building Projects«, was conceived as part of the Jodhpur Initiatives. Implemented by a UN Interagency Technical Working Group comprising UNDP, UNESCO, WIPO and UNIDO, which was represented by **Tetsuo Yamada**.

The second publication was a »UNIDO Working Paper on The Role of Intellectual Property Rights in Technology Transfer and Economic Growth«. Co-authored by **Rod Falvey** (University of Nottingham) and **Neil Foster** (University of Vienna) in cooperation with **Olga Memedovic** of UNIDO's Strategic Research & Economics Branch, it reviews the literature on public goods. It thus covered IPR-related issues such as levels of technology diffusion, licensing and FDI, and the impact of patenting.

The paper provided new evidence to suggest that there is considerable incentive for countries in various stages of development to use the flexibilities in the TRIPS Agreement so as to maximize its net benefits.

And what of responses in terms of Projects?

Aurelia Calabro's involvement in CI-related work begins around 2005 in connection with a technical assistance intervention that had been requested for the Leather Industry Sector in Ethiopia. It is a commitment that takes her to the country for almost five years where she resides as **UNIDO Project Manager** of a good practice story that to-date, supplies »Made in Ethiopia« products in high end fashion boutiques and centres as described among the projects below.

Towards the end of 2007, UNIDO requested **Camilo Antonio** for a consultancy-assessment cum programming mission to verify a technical assistance request from the Caribbean Community (CARICOM). He had been involved in pioneering UNIDO's creative entrepreneurial and cultural industries programme in the 1990s. Among theme were: Reconstructing Devon, a colonial mansion to showcase Arts & Designer Crafts in Jamaica, an Audiovisual Project in the Philippines, and a CI-project for the ASEAN Region, Innovation through Image-Building for Product Development Strategies in the Handicrafts Sector. The latter, funded by UNDP, was a breakthrough project, entering a trend-setters' exposition in Paris: successfully changing the image of handicrafts in the world's most competitive markets that has been sustained until the present.

The latter assignment began with an assumption: to take crafts »beyond the usual intervention« and intensive discussions with stakeholders in the region were based on a 3-year in-depth study commissioned by the Caribbean Regional Negotiating Machinery under EU-funding on The Strategic Potential of Creative Cultural Industries in the Caribbean.

The consultancy assessment dovetailed with the study's conclusions that jived with decisions from stakeholder roundtable discussions hosted by the Caribbean Export Development Agency. The audiovisual CI sector, with filmmaking as overarching medium, represented a high potential, which deserved urgent support from UNIDO. Accordingly, a CI-project was conceptualized, implemented and successfully completed in 2010.

Keith Nurse, Director of the Shridath Ramphal Centre of the University of the West Indies in Barbados presented the aforementioned Caribbean CI study as its lead author at the UN Secretary General's High Level Panel on Creative Industries that UNCTAD hosted and organized. He pointed out trends that, in economic terms, the CI sector is one of the fastest growing sectors of the world-economy based on some notable figures:

»In the years 1994 to 2002 the sector grew in exports from 39 billion to 59 billion. Best estimates value the sector at 7 percent of the world's gross domestic product and forecast are put at 10 percent growth per annum. This growth is accounted for by rapid techno-economic change in products, manufacturing, distribution & marketing and the increasing commercialization of intellectual property in the digital world (e.g. digital rights management).« He added that similar trends had been observed in some large developing countries such as India, Mexico and Brazil with strong capabilities in the audiovisual sector and growing local and diasporic markets. The sector also has strong synergies and linkages with sectors like tourism (e.g. heritage and festival tourism). In some major cities and tourism destinations cultural tourism were estimated to be as high as 40% of the annual visitor arrivals and tend to spend more on local goods and services than the average visitor.

Camilo Antonio also participated on behalf of UNIDO at that event held in early 2008, where he had been approached by delegates from African and Arab countries asserting their need for UNIDO-assistance in the CI sector.

Shortly afterwards, UNCTAD released the *Creative Economy Report 2008* its first comprehensive and in-depth study under the leadership of **Edna dos Santos-Duisenberg**, Chief, UNCTAD Creative Economy and Industries Programme. A reality check on facts and figures led to conclusions with implications for policy makers and investors:

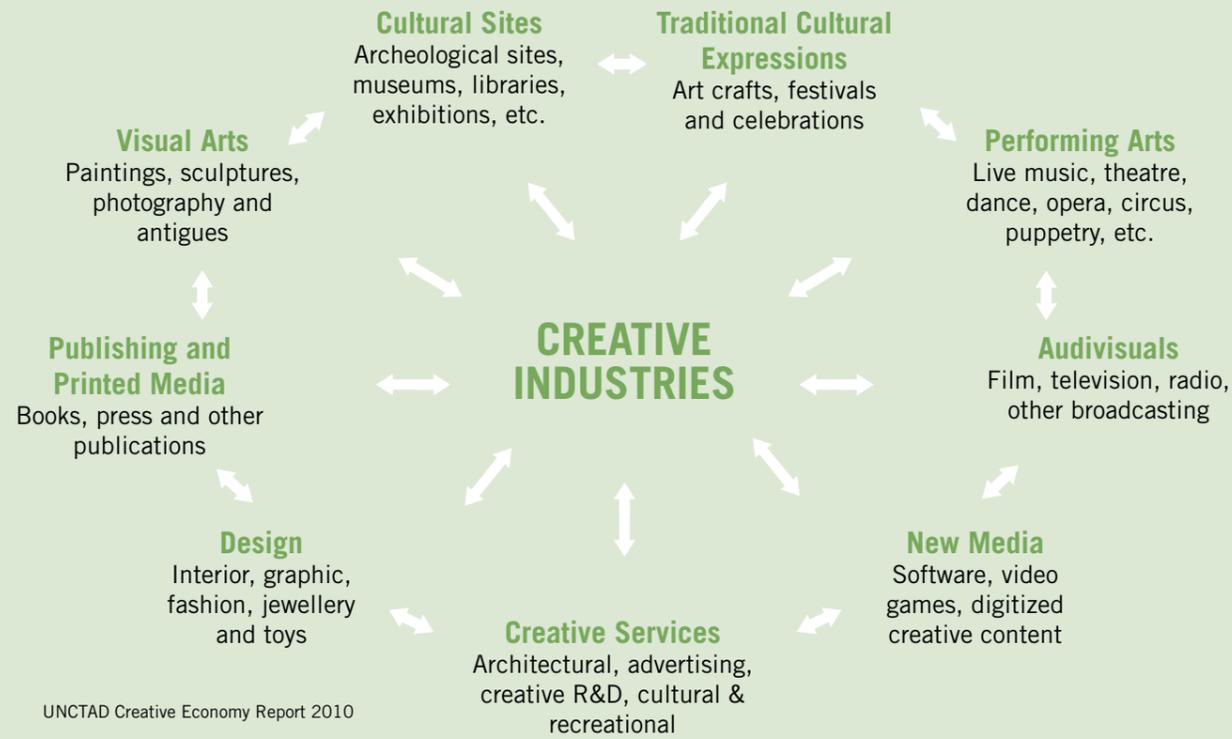
→ Creative industries had clearly emerged as one of the world's most dynamic economic sectors, offering vast opportunities for cultural, social and economic development.

→ International trade in creative goods and services surged to 445.2 billion U.S. dollars in 2005 from 234.8 billion U.S. dollars in 1996. Figures show that such trade grew at an unprecedented average rate of 8.7 percent a year in the period 2000-2005.

→ Linking business, culture and technology, the creative economy holds potential for developing countries to transform untapped creative resources into growth. Although developed countries continue to dominate the global market for creative products, exports of creative goods from developing countries increased sharply to 136.2 billion U.S. dollars in 2005 from 55.9 billion U.S. dollars in 1996. This mainly reflected the remarkable export performance of China, the world's leading exporter of creative goods in 2005, as well as strong gains elsewhere in Asia. The picture was less positive in many developing countries. Africa, for example, accounted for less than 1 percent of world trade in creative products between 2000-2005.

→ In that 2008 Creative Economy Report, UNCTAD's definition of creative industries spans and embraces activities ranging from traditional folk crafts through cultural festivities, to technology-intensive sectors such as design and the audiovisual industry, including film and broadcasting. This is presented schematically in UNCTAD's Creative Economy Report 2010.

UNCTAD Classification of Creative Industries



UNCTAD Creative Economy Report 2010

Creative goods: Exports, by economic group and region, 2002 and 2008 (in millions of \$)



Economic groups

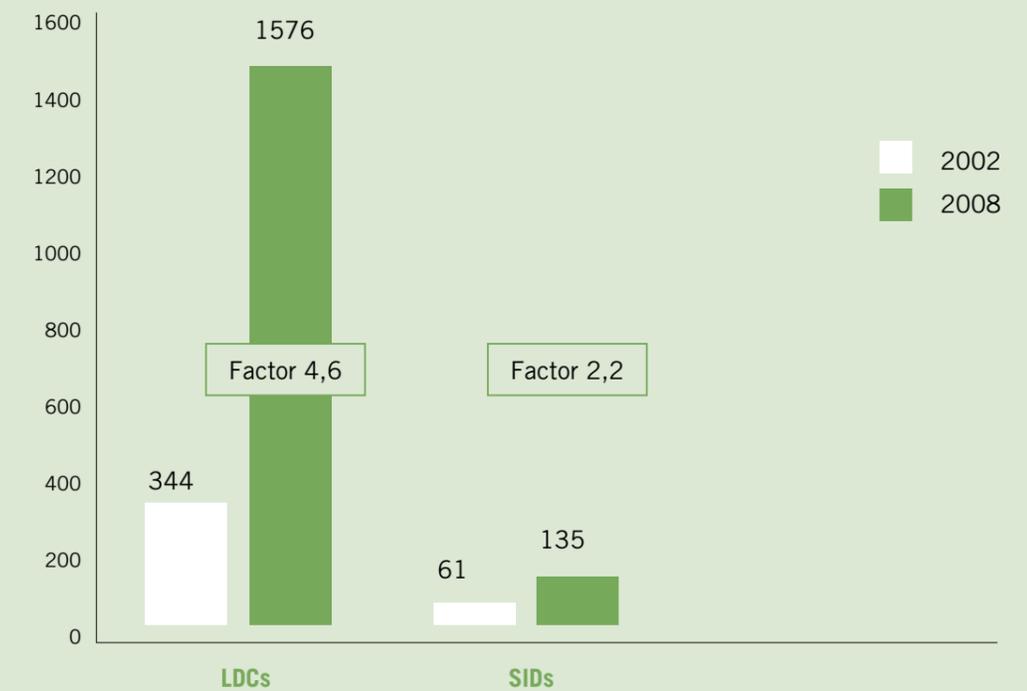
Table 5.3

Creative goods: Exports, by economic group and region, 2002 and 2008

	VALUE (IN MILLIONS OF \$)		CHANGE (%)
	2002	2008	2002-2008
WORLD	204,948	406,992	99
DEVELOPED ECONOMIES	127,903	227,103	78
Europe	94,514	174,018	84
United States of America	18,557	35,000	89
Japan	3,976	6,988	76
Canada	9,327	9,215	-1
DEVELOPING ECONOMIES	75,835	176,211	132
Eastern- and South-Eastern Asia	66,700	143,085	115
China	32,348	84,807	162
Western Asia	2,602	10,687	311
Latin America and Carriibbean	5,536	9,030	63
Africa	740	2,220	200
LDCs	344	1,579	359
SIDS	61	135	120
TRANSITION ECONOMIES	1,210	3,678	204

UNCTAD Creative Economy Report 2010

Creative goods: Exports from LDCs and SIDS, 2002 and 2008 in millions of US\$



Figures adapted from UNCTAD Report

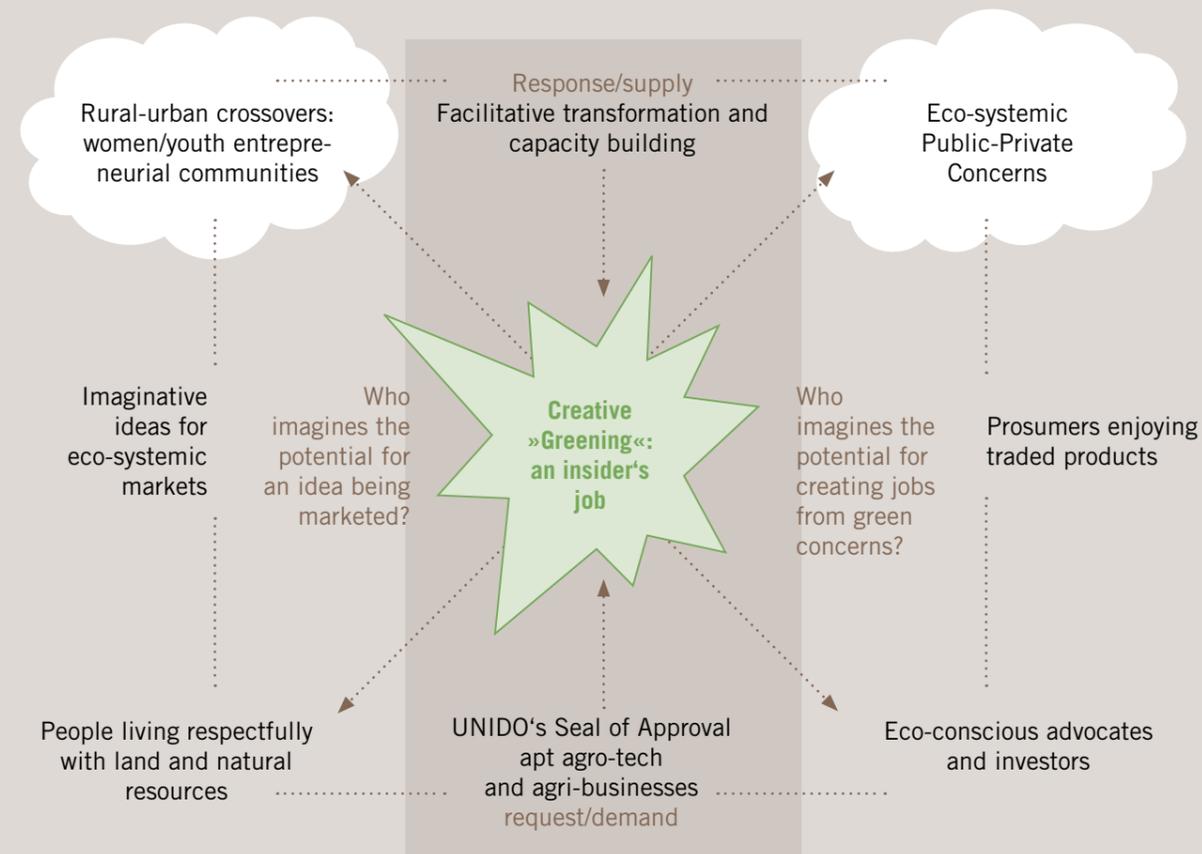
Step 5: Walking the Talks

UNIDO's CI narrative does not follow a linear theory-first-practice-later approach. In fact, it recognizes parallel multifaceted responses with staff involvement in projects being developed and implemented in several countries at the same time.

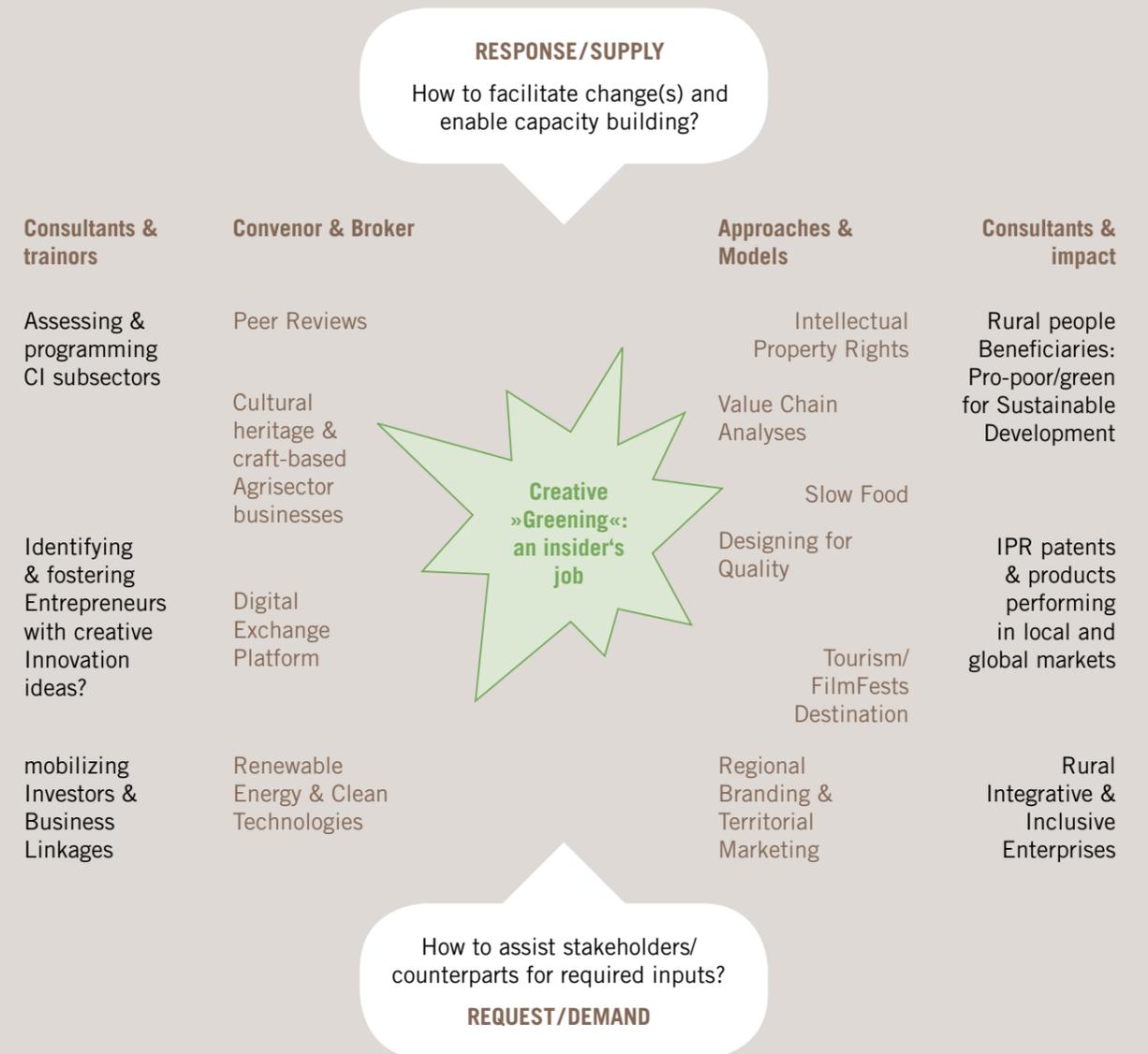
In this section, CI-related projects implemented by UNIDO provide concrete examples, not as case studies, more as **human interest-stories** to demonstrate achievements and outputs in various **CI sub sectors for different beneficiary groups**.

It may be useful to consider the »Cased Projects« within the perspectives of the graphic presentations below on UNIDO CI Operations Map and the Features of UNIDO's CI Programme Framework. The responsibility for CIs as an insider's job starts and rests with the individual entrepreneur or entrepreneurial community coming up with the creative idea as well as with the national counterparts who design and implement technical assistance projects. They remain at the centre of gravity as active agents within the zone of transformation even as UNIDO's intervention, in various forms and tools, requires that other partners and resources be pulled in.

UNIDO's Creative Industries Operations Map



Features of UNIDO's Creative Industries Programme Framework





Case 1 – Bhutan

Community-based tourism in the land of the Thunder Dragon

Bhutan is home to age-old customs and traditions actively animating everyday life. To promote Bhutan's famous »Gross National Happiness« (GNH) – a creative alternative to GDP, the Government supports community-based tourism within CIs across the country. This is notably being done by innovating the traditional sector and cultural-specific products as an engine of economic growth.

Promoting CIs to develop MSMEs as a source of generating incomes that will benefit rural development and employment of young people and women is highlighted in Bhutan's 10th Five Year Plan 2008-2013. This pilot project is based on a UNESCO/UNDP/UNIDO joint programme for developing CIs designed to impact on the MDGs, specifically, private sector development and job creation for women and youth.

UNIDO's assistance is directed to the traditional textiles sector and cultural-specific products that are recognized as engines of economic growth. It strengthens the institutional support system (VTCs) to develop creative MSMEs and facilitate value-added production and market linkages for promoting trade and export of CIs products. Technical assistance is also intended to enhance product development with marketing analyses, packaging and innovative designs, quality, value-added production and entrepreneurial competence that will lead to job creation and (self) employment. Data collection and TCB analysis facilitate understanding of the sector as well as monitoring of developments.

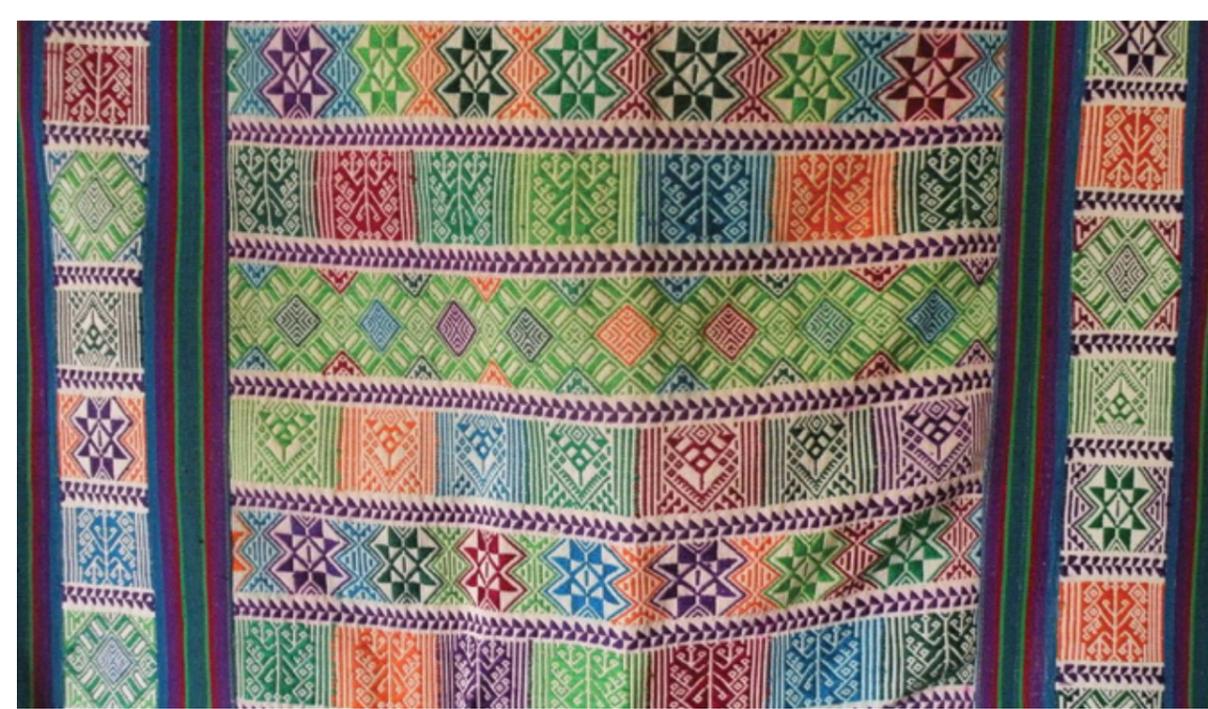
UNIDO's main project counterpart, **Tshering Dorjee**, Director General at the Department of Culture in Bhutan's Ministry of Home Culture Affairs, admitted that while attending UNIDO's Peer Review Workshop and listening to innovative features that are being integrated by CIs in Austria such as Harri Cherkoori (INDIA shop) and Steve Masterson (KISKA), he realized that CI has a broader definition than he had previously thought: that CI could be both cultural industry which, for its survival, needs to become truly creative. Networking, he added, maybe one of the greatest achievements of the workshop. »We know where resources lie and could seek expert views when needed.«

Bhutan (Phase II): Entrepreneurship in Creative Industries to support tourism development for job creation and poverty alleviation.

As a follow-up to the above-mentioned pilot project, the proposed 2nd phase aims to foster creative entrepreneurship through community-based tourism and developing CIs in rural areas to generate incomes, new jobs and business opportunities. This pipeline has a proposed budget of EUR 500,000 to be funded by the Government of Austria (2011)

The proposed project strategy focuses on the creative value chain approach by developing niche tourism industry. Goods that need value-added in agribusiness related sectors include traditional food items, essential oils, teas, furniture, crafts, wood products and textiles. These products and services will require upgrading of equipment and production facilities as well as improving quality through storage, processing, packaging, distribution and marketing. To support the emergence of a culture of creative entrepreneurship throughout the country, the project will support a systematic approach for identifying and developing capacities, services and new technical skills required to spur CI sector growth.

To address food quality challenges, Bhutan has subscribed to the 'Slow Food' movement, i.e. the traditional indigenous food items with high-value addition to products from specific geographical regions. Participation in such networks provides new opportunities by offering avenues for distributing and promoting traditional food items based on agricultural heritage and traditions. Positive impact can be generated, with a spill-over effect to other creative industries sectors such as media and audio-visual arts, e.g. Bhutan Food Film Festival. In order to initiate product development under this theme in Bhutan, partnerships with 'Slow Food International', 'Slow Food Austria' as well as other distribution networks, will be set up and linked to the services provided by the CI/CBAU businesses.





Case 2 – Caribbean

Piloting a System of Cinematic Entrepreneurial Motivation Awards (CEMA) to Promote the Multimedia Audiovisual Creative Industries Sector in the Caribbean

This region-wide pilot project (funded by the Government of Turkey: US \$180,000 as seed money over 24 months) was based on a request for technical assistance from **Hilary Brown**, Programme Manager for Culture in CARICOM (the Caribbean Community). **Philipp Williams**, Executive Director of the Caribbean Export Development Agency seconded the request and hosted an initial round of preparatory discussions between the UNIDO Consultant and stakeholders.

UNIDO's big picture concern in responding to CARICOM's request was geared towards developing the private sector and micro-small-medium enterprises that would address the U.N. Millennium Development Goals (MDGs), specifically: integrating women, youth and rural people for entrepreneurship and livelihood ventures in the Creative Industries (CI) sub sector.

During the UNIDO-consultancy mission to verify the request, the specific need identified was: **a focused approach** on the embryonic filmmaking industry within the audiovisual CI sub sector. The decision was consistent with articulated requirements of well-motivated individuals and groups among filmmakers who wanted an international body like UNIDO to escort their vision of developing a dream team that could produce films from local narratives: creating content and livelihood opportunities while branding the region in the global arena.

It was pointed out that filmmaking as an overarching medium presented the greatest socio-economic potential for integrating all of the other CI sub sectors in the Caribbean region: a thriving music industry and productive activities by literary, performing arts, digital animators and other multimedia practitioners. Film production, has great potential for spin-offs in micro/small enterprises because of the need for a variety of craft producers and technical services required throughout the different phases of production. In particular, the CI audiovisual sub sector offered wealth-generating opportunities in the region related to location shooting and as a tourist destination.

Significantly, alongside its entrepreneurship and self-employment with job creation goals, the project was envisioned to facilitate the fragmented storytellers from various island-countries in effectively networking towards creating a distinctive Caribbean cultural identity.

Consequently, the project was designed to pilot a system of rewarding creative enterprise & innovation: the Cinematic Entrepreneurial and Motivation Awards. CEMA was set up to motivate entrepreneurs among filmmakers within the multimedia audiovisual sub sector and to further market-oriented projects of those entrepreneur-filmmakers.

Technical assistance inputs were therefore provided with the overall vision of contributing towards: professionalizing the work of film practitioners and taking them through a process of co-production process and team building capacities. Out of eight projects and their team proponents that were initially designated as the Project's CEMA Team Awardees, six (listed by country in alphabetical order) were selected to participate in the event that capped the project: the launching of the Caribbean Tales Worldwide Distribution. As part of that international launch, UNIDO supported CTWD, the newly established company to conduct an Incubation cum Market Development Programme within the International Film Festival in Toronto in September 2010. The following CEMA teams joined 25 outstanding filmmakers who were carefully selected for the high quality potential of their projects in bringing these to an international level and to have access to investors and buyers:

Alison Saunders (Barbados): Freedom Run, a feature drama thriller based on a true story co-scripted by Georgina Adams and Kelvin Mason.

Clement Richards (Dominica): ReadMade!, a dramatic »roots« comedy feature film, about a hapless factory worker in blissful ignorance of the dark undercurrents in his family, which gives a historical and atmospheric flavour of the Eastern Caribbean Popular Theatre in Development and the Movement for Cultural Awareness.

Marc Gomes (Guyana/LA): Corentyne Thunder, an adaptation on the screen of a classic Caribbean novel, a romantic drama that looks at life in Guyana in the 1940s.

Davina Lee (St. Lucia): 3-short drama features, on The Coming of Org, thus, a coming-to-terms with indigenous identity in folk music and linguistic contexts.

Rubadiri Victor (Trinidad & Tobago): The Princess, a fable-magical realism, a project that seemed the most advanced, including detailed plans on costumes and the shooting script.

Ernest Che Rodriguez (Trinidad&Tobago): LEROY: Fragments of His-Story, an innovative directorial concept and format in documentary film production in 11 fragments on: LeRoy Clarke, Trinidadian Master Artist and the development of his art under colonial rule and through various milestones to locate Clarke's artistic/spiritual philosophy within the region's socio-political landscape.

Thus, in partnership with CARICOM, University of the West Indies, Caribbean Export, and CTWD, UNIDO's focused interventions enabled the CEMA-teams to develop their audiovisual projects, facilitating their participation in training and market incubation workshops that prepared them to pitch to potential investors and distributors for business development opportunities.

Through south-south cooperation networks as well as with those in the northern Caribbean diaspora, the project has continued to build capacities of national and regional counterparts: setting up linkages with Barbados Film Festival; ANIMAE, Trinidad&Tobago Animation Filmfest; South African Broadcasting corporation and the prestigious Toronto International Film Festival, a significant platform of exposure and business links with the film industry.

The EU-funded Study, led by **Keith Nurse** pointed out significant trends that informed decision making and management by the Regional Steering Committee established for the project. Foremost among these remain relevant concerns:

- ➔ New digital and communication technologies have revolutionized the CI sector in terms of production processes, distribution channels and consumption modes. Low cost digital recording technologies have facilitated the diffusion of sound, text and image production by small entrepreneurs without any appreciable compromise in quality. However, the proliferation and diffusion of such technologies makes the production stage of the value chain the most competitive;
- ➔ The convergence of telecoms, telephony, the Internet and cultural content has revolutionized marketing, changed the nature of piracy and royalties collections, and upset the balance between the major content distribution/marketing companies and the independents, thus giving the consumer greater choice;
- ➔ Digital rights management is crucial to facilitate consumer usage rights while protecting the works of creators from unauthorized distribution and unfair use.

Note:

A documentary »The Making Off« has been prepared by Camilo Antonio with Senad Hergic and Roman Tolic.



Case 3 – China

Local economic development for ethnic minorities through Creative Industries

This project is being implemented under the Spanish MDG Achievement Fund – China Culture and Development Partnership Framework (CDPF), a joint programme that aims to design and implement policies that promote the rights of ethnic minorities in Guizhou, Unnan, Tibet, and Qinghai and to empower them to better manage their cultural and creative resources to benefit from culture-based economic development, thereby also promoting vibrant and inclusive communities. China is supporting creative entrepreneurship development and an innovation culture to be put in place which would recognize that CIs is a relevant sector to be tapped into, especially for the Miao communities from the Leishan province.

Specific needs in two major areas have been identified: to strengthen the inclusion of ethnic minorities in cultural, socio-economic and political life through policies and services; and to empower ethnic minorities in managing cultural resources and to benefit from cultural economic development. The State Ethnic Affairs Commission (SEAC) has been entrusted with the management and local economic development of ethnic minorities who need access to health, education and employment services for economic integration.

UNIDO technical assistance falls under output 2.3 Culture Based Local Economic Development (LED) and livelihood creation: providing entrepreneurship and business development services, and strengthening the policy and institutional environment for ethnic minority arts and crafts sector.

Thus far, the SEAC-UNIDO project has completed market assessment and policy/institutional reviews on the ethnic CI sector in Guizhou Provinces with a Trade Fair set up. Training/capacity building conducted for ethnic handicraft associations in Guilin, Guangxi Province during September 2011 has fostered business development for SME entrepreneurs and artisans in design, innovation, marketing and business management, using concepts of local resource integration and sustainable development.

Among the 55 trainers and trainees 25 women participated led by **Yang Fan**, Deputy Director of PMO of SEAC. **Chen Lecong**: Director General of iFAIR China, who lectured on Fair Trade, and **Zhang Lijuan**, a Professor on Marketing and Promotion of Ethnic Handicrafts.

Among the lecturers was **Zhou Weidong**, Deputy Secretary-general of China Association of Ethnic Economy (CAEE), Chief Consultant and leading expert of the Project on Community-based Organizations. **Yang Jianqiang**, Member of CPPCC Standing Committee and Director of Programme Steering Committee of SEAC visited the training, which was organized in accordance with the participatory approach adopted by the project: SEAC issued a notice letter about the objectives, methods and contents of the training; and local people came to CEAC to register based on their own needs and free will. The trainers gave lectures on relevant topics:

Women and young persons have been inspired to start their own businesses and create more employment opportunities. **Tuo Junhe**, a migrant worker who works in Leishan Feidie Silver Ornament Development Co., Ltd, Guizhou Province, said that he would convey what he had learnt during the training by conducting an internal training for other employees after returning to his company. He also revealed a big dream about to be realized: going back to his hometown to start a silver production company by which he could help other young people to get a job.

Similarly, the »Elderly Knife Master« **Xiang Laosai**, his son **Xiang Changfu** and the »Younger Knife Master« **Lou Sidong** who have been involved in project activities, participated in training on Husa knife product development, one of the typical handicrafts in Yunnan. The trainer asked them to play a game in class to make them realize it would hurt all in a vicious competition but would benefit them if united. Together, they plan to set up a knife development association.

The project has raised awareness and enhanced the capacities of ethnic minorities in self-development and setting up their own livelihood. Networks have been established between local craft associations and government, as well as with global market outlets. The Seal of Excellence for Handicraft (SEAL) programme has provided training to local artisans in marketing and to develop product lines for crafts with a quality seal. The project has successfully raised awareness and sensitivities to integrate ethnic minorities and has promoted local stakeholders to adopt a more culturally sensitive approach to community development and local job creation.



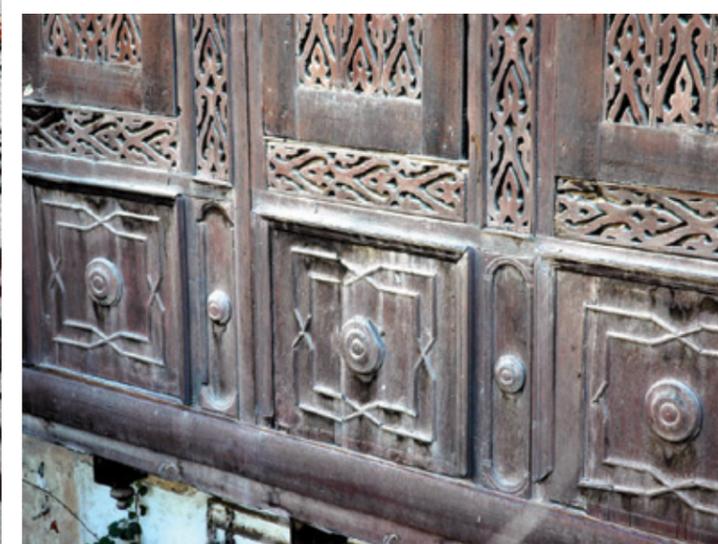
Case 4 – Egypt

Mobilization of the Dahshour World Heritage Site for Community Development.

Recognizing the developmental potential of CIs, UNIDO was requested to assist the pilot Dahshour programme in 2009 jointly with UN agencies (ILO, UNESCO, UNDP, UNWTO, UNIDO and FAO as lead agency funded by Spain under the MDG-F Culture and Development Window). This Joint Programme aims to preserve cultural heritage and natural resources of the Dahshour area by promoting CIs development in the surrounding community. It is designed to focus on catalysts for socio-economic development and encapsulates an innovative approach to culture and development by engaging the date-palm communities, motivating women and youth as beneficiaries and guardians of heritage. The programme is expected to yield economic gains and to form the basis of human development for sustaining efforts to alleviate poverty.

The Government of Egypt, through the Industrialization Modernization Center (IMC) has joined hands with local communities in Dahshour to promote CIs and cultural traditions. The human skills factor is considered to be one of the most important competitive elements in the creative and ethnic product sub-sector. To achieve a vibrant MSME sector, the need to refine technical know-how and business skills of local communities and to adapt traditional products to global market trends has been identified. Thus, this project addresses constraints faced by MSMEs within the Dahshour community in such areas as technology, product design for innovation, marketing and building value chain linkages.

Mohamad Farag, national project counterpart in IMC, underscores the importance of creating an international platform for product innovation and creative solutions between the stakeholders, designers, artisans, organizations, entrepreneurs, and business community. The platform will link different actors of the CI to communicate and network with each other and provide an indigenous sustainable tool for the growth of the CI sector. With the CI approach UNIDO's technical assistance is focused on harnessing cultural and intellectual productive activities that support innovation and creative entrepreneurship, increasing the value of traditional knowledge with designs for niche markets. Cultural and traditional designs are transformed into creative products that feed into and add value to furniture, textiles and jewelry sub-sectors.



Achievements include: new product lines developed with 130 products; Dahshour Image Bank as a web-based platform for designers and producers to promote and distribute products; workshops for DEEP or Ethnic Egyptian Products Design Workshops; market access through participation in international trade exhibitions such as Maison d'objets Exhibition in Paris and the MACEF International Home Show in Milan.

Through IMC, this programme has made its contributions to the Cairo Forum 2010 and international fairs (Paris).



Case 5 – Ethiopia

TAYTU Project – Assistance to the Leather Industry to Develop and Brand »Made in Ethiopia« Products

This project is part of the UNIDO Integrated Programme for Ethiopia on its second Phase with **Aurelia Calabro** as Project Manager. The main objective is to assist in diversifying the country's exports, which are mainly composed of primary agricultural commodities. This includes introducing value added manufactured products and by increasing competitiveness of enterprises through product development. Thus, factories have been assisted in the promotion of »Made in Ethiopia« branded products.

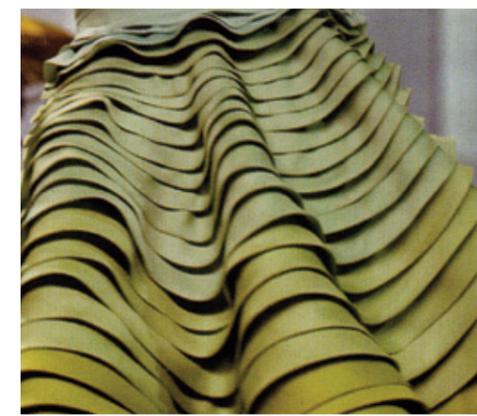
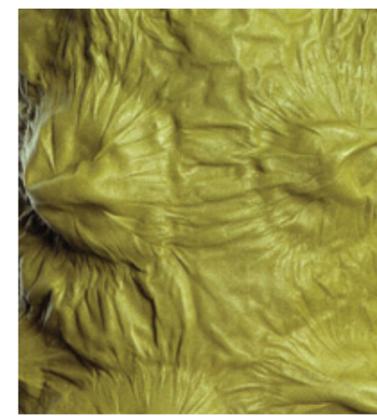
The **Taytu Collection** is a creatively cultural and innovative marketing concept based on shifting trends in the fashion industry that redefines luxury as embracing authenticity, uniqueness and exclusiveness, while rediscovering ancient values. Elegant and colourful leather handbags contain a balancing of handicraft, fashion and culture. The use of traditional materials and creating exclusive pieces with a highly personal touch come with a creative added value: cultural references from an ancient African civilization.

The collection, contemporary chic products primed on niche markets in the West and not to be confused with traditional handicrafts, is organically Ethiopian and sophisticated »delivering a charming artistic abstract edge that breathes Ethiopia«.

The company, a conglomeration of 12 Ethiopian leather companies, involves about 250 people from Addis Ababa and the surrounding communities. The new brand is named after the legendary, strong-willed Empress Taytu, wife of Emperor Menelik II, who reigned at the end of the 19th century.

Implemented by UNIDO and backed by the Italian Development Cooperation and USAID, Taytu Collection was developed with Italian accessory designer-consultant **Barbara Guarducci and Giovanna Villani**, whose expert assistance provided the push at the international level and gave the label breadth and credibility. Along with designer **Ambrogio Malinverni**, leather goods expert, they worked with local designers, companies, and suppliers providing technical know-how and training in logistics and business skills.

The Senior Industrial Development Officer, who had been based in Ethiopia as UNIDO's Project for four years had the fullest support of the former Minister of Trade and Industry who is currently Ethiopia's Special Envoy to the U.S.A., Ambassador **Ato Girma Birru** as well as the current State Minister for Industry **Ato Tadesse Haile**, LIDI Director General **Ato Wondu Legesse**, and National Project Coordinator, **W/ro Netseha Sequar**. She attested to the fact that the whole range of value-chain activities from tannery supplies through leather processing and design innovation up to product performance in high end boutiques in Milan, New York, Tokyo and Paris has been the work of a fruitful collaboration with several other national counterparts and local stakeholders.



Case 6 – Pakistan

Women Entrepreneurship Development (WED) in non-traditional CI sectors

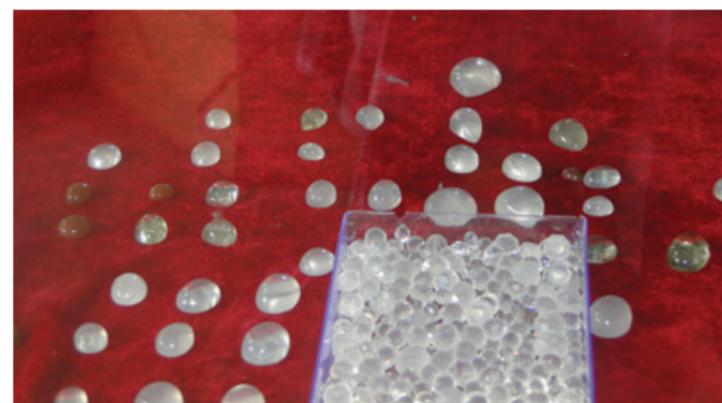
Pakistan has a rich cultural heritage, which includes traditional skills from various provinces to produce various creative products. These traditional skills, which cannot be outsourced are appealing to both domestic as well as international markets, and mostly practiced by women. The project is a response to the need to organize women entrepreneurs – enabling them to cater to niche demand, gain collective access to wholesale input markets, control quality, have exposure to contemporary trends, and create linkages with relevant end-product markets.

The project is creating an enabling environment for women entrepreneurs to enhance the production capacities of businesses, develop marketing strategies, and to identify business opportunities and access required services and training. The Ministry of Industry and private sector partners are fully engaged in linking women entrepreneurs with business development services (BDS). The project is to reach at least 1000 women entrepreneurs.

UNIDO has assisted with demand-driven training to innovate non-traditional sectors and enhancing the role of women entrepreneurs at the national level through gender mainstreaming of key stakeholders to promote competitive thinking and innovation of traditional products. The project expands (self-) employment and creating livelihood opportunities for women through productive work and income-earning activities as some of the most effective ways to alleviate poverty and empower women economically. MSME development within the CI sector is especially important for rural women because they and their families traditionally manage such enterprises.

Key activities include: decentralizing Business Growth Centers (BGCs) that are being linked to technical and supporting institutions and with skilled women entrepreneurs and BDS; gender-based value chain analysis and skills-training through Training of Trainers in home textiles, marble and mosaic, gems and jewellery.

Shahina Waheed, National Expert for Programme Development and Support for the Joint Programme for Gender Parity, reflected on a very significant point: that a shawl woven with a traditional touch is a cultural product. However, if it is modified with creative design while keeping intact the connection with the past, it becomes a creative product. The creative modification adds a commercial aspect that can be used



for income generation as well. That example was echoed by the Bhutanese delegation referring to their experience in basket weaving.

She said »What I am taking with me is an overall enhanced conceptual understanding of CI, which will add value to the WED project's advocacy dialogue with public or private sector. I also realized that we need to organize conceptual discussions with partners on a regular basis to provide an update about innovations and development which would also help us to get our message across. Apart from strengthening the quality of capacity building initiatives, I would like to use this knowledge to design Pakistan specific model to jump value chain strata or middlemen or women to get fair share of wage. This increased income will add to motivating and empowering women and alleviate poverty over time.«

During the second half of 2011, UNIDO consultant **Giulio Vinaccia** conducted Creative Design Workshops in marble and mosaic as well as home-line furnishing. Fifteen women entrepreneurs were trained in Manual Jewellery Designing to run their businesses effectively. Working also in other projects, he maintains that »Design is part of the product system, which includes a combination of productive techniques, marketing, packaging and communication skills, all leading to products reflecting imaginary, ethnic and social value.«

Zhen Ye, UNIDO's international expert on Creative Economies, presented technical seminars on various aspects of CI, e.g. international trade, creativity and innovation, and women entrepreneurship in CI.



Case 7 – Peru

Inclusive CIs – an innovative tool for poverty alleviation.

A private sector programme in Peru to support tourism, craft development, organic agriculture and gastronomy in four Peruvian regions has been funded by Spain under the MDG-Fund to create businesses and self-employment options in order to alleviate poverty. The Joint Programme with UN agencies is supported by UNIDO's technical assistance to set up a Filigree Jewellery Workshop to innovate Catacaos innovated designs and production.

UNIDO, jointly with FAO, ILO, UNDP, UNESCO & UNWTO, is promoting an inclusive environment for those normally excluded from economic activities. Targeted marginalized groups will be supported to increase value added, improve working conditions, strengthen cultural identity and facilitate access to new and more profitable markets. Within the programme, UNIDO assistance is focussed on the jewellery sector and contributes to: improving the institutional framework for the development of inclusive CIs as well as improving the productive and marketing capacities of micro and small-scale producers.

UNIDO's intervention has been designed to include fostering Local Economic Development, promoting vertical and horizontal business networks and supporting business start-ups. Project implementation has recently started by setting up a technical coordination unit and the preparation of a base line in the four regions for the selected sectors.

The approaches will vary but the process may be gleaned from the »Origin Consortium« that was provided to assist the jewellery sector in Catacaos. Producing silver filigree in that town has a long tradition going back to the time of Christ. Around 450 artisans still carry on their productive activities combining ancient production techniques with modern designs. Artisans cannot afford to purchase expensive machinery so that the jewellery is practically and fully handmade. What seemed a weakness has become a strength. The silver filigree of Catacaos has become widely known and highly valued by tourists. The jewellery has recently been recognized and declared as cultural heritage of Peru.

But, industrial copies from other cities have appeared on the local market and have been sold more cheaply than the original jewels. In 2007, to revalue this typically distinguished regional product, UNIDO, in collaboration with Peruvian partners (includ-

ing the Ministries of Production, Foreign Trade and Tourism, the National Chamber of Trade, Production and Services, and the Technological Innovation Jewellery Centre known as (CITE) supported small businesses and Jewellery Associations to establish a consortium (OC) with about 70 artisans.

The OC initially received technical assistance to develop a collective promotion plan. In synergy with other cooperation programmes, various training activities were organized to improve the quality and design of the filigree jewels. In 2010, it was decided to take further steps towards registering a collective mark to tackle the growing unfair competition that Catacaos artisans were encountered. According to **Fabio Russo**, the project manager, the »Catacaos Silver filigree Jewellery« was registered in 2011 of behalf of CITE, after compulsory production rules had been defined to ensure high quality while preserving traditional knowledge. This label can only be used by artisans from Catacaos whose products reflect the excellent reputation of its unique handmade jewellery.

Step 6: Taking Stock

What is crucial in dealing with CI Development Projects?

CI development projects require specific people who can be accountable for resources over which they have been given the authority to employ and be responsible for...

thus staff, as the basis for institutional capacity building, will be allowed to focus and devote undivided time and energy to working out practical solutions from pragmatic approaches backed by theoretical foundations.

The aforementioned human resources need support in developing the competency and skills to integrate resources at all levels and to address issues and needs that will aptly serve the local community.

How do Project Counterparts and Experts affect CIs?

In the course of implementing CI projects, UNIDO clearly understood that a cross-cutting global partnership is required to integrate local CIs set up and run by local entrepreneurs and communities towards domestic and export markets into industrial strategies for sustainable development.

It is within that context that the UNIDO organized and convened the first Peer Review Workshop (PRW) on Creative Industries for implementation partners and technical experts from ongoing technical cooperation projects.

During three wintry days in December 2010, international experts and national counterparts Gathered at UNIDO Headquarters for the PRW which served as an initial platform for UNIDO project staff and experts to exchange information and to learn from each other's experience. What follows is partly extracted from the PRW Report.

Over the last two decades, UNIDO has been assisting developing countries through technical cooperation projects based on the proposition that recognizing and harnessing productive activities by sourcing cultural references, intellectual property, and such creativity talent inputs that can address poverty alleviation and other MDG issues. In particular, apt conditions can be established that lead to sustainable (self) employment and income-generation opportunities targeted to focussed groups: women, out-of-school youth and rural/outlying communities.

Under prevailing conditions of global competition and concerns for harnessing environment-friendly resources, the CI is considered a key sector to facilitate the operationalisation of new perspectives and the transfer of innovative technologies into national development strategies to especially address poverty reduction and climate change.

This has been clearly demonstrated in some EU countries, in the USA, and in emerging economies such as Brazil and China. At the request of member countries ranging from Bhutan, China, Egypt, Pakistan, Peru and the Caribbean Community, UNIDO has been intensifying its technical assistance to promote CIs.

The PRW was the first encounter for UNIDO national project staff involved in CI projects related to agri-businesses (e.g. furniture, textiles, food) and audiovisual new media technologies to exchange experiences and review technical issues related to on-going project implementation in light of three themes.

Theme I:

Development context of the creative industry sector as a response to the challenges for poverty alleviation at the interface of industry and development.

Theme II:

Guiding technical assistance in the CI sector: methodologies, tools and approaches.

Theme III:

Distinctive and innovative features integral to CI: Creativity and quality assurance throughout the value chain approach; entrepreneurship through market-oriented training; and business development services.

The PRW also served as a learning exercise with resource persons drawn from relevant partners who joined international experts in presenting good CI-practices from various perspectives and challenges. Presentors included UNCTAD's Creative Economy Section, which has been spearheading policy-related research in close collaboration with UNDP, the EU Support for Industrial Innovation, the Austrian Chamber of Commerce (WKO) and innovative Austrian entrepreneurs in a booming Austrian creative economy.

The lessons learned provide a basis for a programmatic framework and strategy on cross-sectoral business models and innovative approaches to further capacity building activities, for entrepreneurs and other creative drivers of industry especially in rural and peripheral communities.

How do CIs help resolve Poverty Issues?

In particular what Opportunities can CIs offer to Challenges facing Women, Young Persons and Rural Communities?

The participants noted that the CI sector has clear applications as a strategy for poverty alleviation:

-  A dynamic CI sector empowers entrepreneurial-driven women, youth, rural groups and peripheral communities to target market opportunities.
-  Utilizing the rich cultural heritage and diverse cultural knowledge/references through creative value-sharing CIs can produce innovative goods and services ways.
-  A targeted environment of policy support measures, micro-credit schemes as well as venture funds and incubation mechanisms need to be put in place and directed towards that end.
-  With such appropriate support, the CI sector could enhance capacities for entrepreneurs and industrial leaders to improve livelihood and job creation opportunities in the CI-sector that would impact on economies of scale.
-  Mentoring and coaching to induce creative attitudinal change, innovative mindsets and the behavioural/technical skills required in various levels of the value chain system would have to be introduced and aptly monitored.



Creative women, youth as well as rural/peripheral communities that are working as artisans in agri-businesses can be organized into »CI hubs« for regional/local development programmes to sustain economic growth and correct social inequalities.



Developing human capital within CI will require other critical services for branding and expansion in global markets such as information and communications technologies.

Today, the new poverty that looms is in digital illiteracy, which not only divides countries and regions but generational age-groups as well. The CI sector can address these gaps through shared understanding of its uses for gainful and productive livelihoods.

The participants therefore noted the considerable potential of the CI-sector to positively change the image of a country, region and locality because of its capacity to transcend development linkages and to closely interface with new media-digital technologies.

Since the CI sector need not be seen as a stand-alone sector, creative human capital would become more central to strategies for collaborative competition to reduce poverty and other social ills. Viewed as a driver of creative capital CIs profoundly affect the overall economy: adding value and competitive advantages to other industrial sectors.

A relevant point was made by **Keith Nurse** in his presentation: that every creative activity, whether for profit or non-profit, has a spill-over effect and that at least 70 percent of the related work is created in CI subsectors. A music group performing free of cost for a church generates economic activity in other sectors by, buying equipment, organizing logistics for the performance, travelling to the venue and making audiences stay to spend money in food and drinks and other related entertainment. The discussion on cultural and creative products helped to create a link between the concepts of cultural and creative products.

A similar example was shared by Carsten Schierenbeck (EU): that any area interested to be declared as a cycling area has first to build roads, establish tourist friendly hotels, get neighbourhoods to continue the cycling roads, offer appropriate food and transportation as well as varied accommodation and other relevant services.

The discussion on changing global economy was also thought provoking. The experts referred to a cyclic economy which seems endless: creative activities generated in the related sectors become more important than the initial product itself. »Harry Potter«, a story written turned into a published book and then a film produced with soundtrack that led to a burgeoning of sweatshops for shirts, mugs, posters, stationary, etc.

The bottom line is that it is no longer a budget economy of classical nature dealing mainly with sale and purchase of goods; it is rather led by the notion of creativity and intellectual property rights.

Continuous conceptual work is required to keep the prospects of fresh initiatives and innovative possibilities among professionals and practitioners within the CI sector, including the creation of »green jobs« from recycling alternatives.

Which specific Value-added Elements of UNIDO's Technical Cooperation Programme are Considered most Relevant?

Creatively SEEing, UNIDO creates the basis for a solid network effect, bringing together people and institutions who are better enabled to apply industrial approaches, technologies and business acumen and instruments developed over years of accumulated and tested experience.

Drawing from project experiences, some methodologies and tools for innovative good practices have been identified of direct application by CIs.

Value Chain Approach (VCA) and market assessment tools as developed by UNIDO can address different challenges and prospects to identify new activities for upgrading entrepreneurial and other capacities, and to improve the operations of suppliers and other management practices related to fair pricing, local market and export development.

For effective interventions in product design and product development to enhance competitiveness, various approaches, methodologies and tools may be combined ranging from field research (biodiversity related, anthropological and historical information) to setting up web-based Cultural References and Image Banks through online design workshops and test-marketing in trade fairs.

All that could provide customer feedback relevant to re-design, branding and market-related strategies.

Coordinated policies, strategies and mechanisms that focus on opportunity-driven creative entrepreneurs can transform the socio-economic potential for developing creative enterprises in local areas and impoverished communities.

For entrepreneurs to remain competitive and as effective change agents who facilitate dynamic innovation, it is necessary to support continuous training for them in several dimensions and at multiple levels. Appropriate business acumen, commercial abilities and emotional competencies will have to be honed to complement traditional skills and services.

Advocacy and specific policies with particular regard to Intellectual Property Rights (IPR) could help relieve a sense of justice that local or indigenous communities really benefit from gainful CI-related activities, specifically those resulting from cultural heritage/knowledge such as traditional skills applied to handicrafts and artisan production.

The IPR needs to be institutionalized and the application or transformation of public goods directed mostly to the tourist market and exports would require appropriate policies not only to protect cultural heritage and innovations but also to ensure economic returns to local entrepreneurs.

Step 7: Beginning to Learn from Impact

What is impact?

The common understanding for impact is a reference to outcomes of a long-term and multifaceted nature: intended or unintended and direct or indirect positive or negative effects of development programmes and projects.

As the CI sector is relatively young, it may be still too early to subject it to in-depth assessment and scrutiny for impact in terms of outcomes.

The consensus emanating from international conferences and the CI literature researchers and practitioners is to consider narratives and structures for understanding in qualitative terms much more than the quantification demanded by those asking for bottom line economic measures:

How do CIs and Creative Entrepreneurship play their Roles in so-called Paradigm Shifts?

The narrative approach would highlight models and the extent to which elements of creativity are present and applied:



a prospect and perspective: the creative knack of thinking up new ways of viewing life as an assertive move forward.



a competency: the mindset and intellectual readiness to combine information and knowledge in new ways for creatively solving difficulties and obstacles.



an ability: applying oneself to the work at hand in smarter ways – competencies and technical skills to problems as challenges and opportunities.



a capacity: to catch new ideas and discover innovative approaches of linking up with those who have the mindset, competencies and abilities to transform creative ideas into products and/or services.

What are the Challenges in measuring the Performance and Validating the Impact of CIs?

At the above-mentioned High-Level Panel of CI Experts convened by UNCTAD the importance of evidence based policy making was highlighted but with some caveat:

CIs are not monolithic and it is in their nature that creative practitioners move swiftly across boundaries.

The key is to understand the CI process and multiple needs: mobilizing support to create a critical mass for advocacy is different from being funded for content, which may be for purely artistic purposes and not for gainful business goals.

Many CI practitioners are troubled with claims for more evidence-based empirical research. Some are tired of being harassed by interview-visits ad infinitum and more papers to fill out.

How reliable is the data when the respondent is suspicious of the motives behind the questions, let alone the trust needed on the part of the mediator-translator conducting the survey.

Many others question when and where the expectations from in-depth studies are forthcoming: in terms of supportive policy measures, investments and credit schemes.

And they ask:

How many more Databases are required in addition to those already in place?

in UN Economic Regional Commissions, UNCTAD STATS's-based Creative Economy Reports, the World Bank's Development Indicators Database, UNIDO's own Statistics and Database.

But the question remains:

What Measurement Indicators can Policy Makers go by to render themselves accountable for supporting CIs?

Monitoring and evaluation mechanisms have been in place to ensure that technical assistance projects are designed and implemented according to inter-agency multilateral standards for development and donor agency requirements.

Foremost among those are participatory and ownership issues throughout the design and implementation stages as the basis for sustainable impact.

This assumes counterpart institutional infrastructure and staff with resources and budgets are available and in place.

In managing those assumptions what may look good on paper may turn out to be a phantasmagoria. Timelines for the project's exit can be exquisitely drawn.

As encountered by most experts, they find themselves usually becoming engaged way beyond expected roles and interventions not only to make the project work.

The project may then metamorphose into something else, albeit still justifiable within a logical grid, and thus, innovative value-chain frameworks may apply.

But, can we get all partners on board?

Most of the survey tools in use had been set up for industrial manufacturing sectors and large business corporations. These apply economic indicators that are not adequate in revealing what is going on in the CI sector.

The real challenge may be not just to focus on classical economic-based indicators that provide quantitative justifications for returns on investment, mostly in the short-term. It may be necessary to develop new measures that take into account both advocacy and participatory impact. It will certainly help to establish primary and secondary indicators that consider other more pertinent variables to produce a more balanced scenario: on the Creative SEE.

Step 8:

Awarding »Creative Greening« Certificates

How could we motivate CI Entrepreneurs?

UNIDO's CI Framework begins with the assumption that indigenous talent will prosper not only because policy measures and infrastructural provisions are forthcoming but also because the most basic motivations need to be recognized: high potential; appreciation for engagement and commitment; and visibility especially among peers. Here, the stamp or seal of approval by an international organization like UNIDO can go a long way in taking would-be recipients to greater levels of motivation and performance.

Thus, using its experience in the abovementioned Caribbean project, the Cinematic Entrepreneurial Motivation Awards, it has been thought that »Greening« the Creative Industry might be undertaken in a similar way: formulating technical assistance interventions such that they are directed to national counterparts and indigenous practitioners who show high potential and who need to be »awarded« for the promise of a hoped-for greater achievement and thus help bring forward their projects.

It is in this sense that UNIDO offered to present the CI framework at the Green Growth Investment Forum held on October 6 and 7 2011 in Brussels. Organized to further an important dialogue with European partners about the need to ensure economic development and prioritising environmental sustainability within the concerns of the Organization of Eastern Caribbean States, the OECS Mission leaders spoke about the Initiative as timely for serving the move towards greater energy efficiency and carbon reduction.

In its report, the following has been noted: »One of the key outcomes of the Forum was a proposal by Paula Calderon of the Saint Lucia Manufacturing Association, who called for a partnership between institutions such as UNIDO and the Centre for the Development of Enterprise and the private sector in the region to develop a Green Enterprise Award that promotes and supports green enterprise development across the Caribbean region. These institutions readily accepted the invitation.«

In fact, UNIDO has been requested to initiate conceptualizing and operationalizing the request that was mentioned at the concluding session. The first opportunity towards this end had been conducted through discussions with potential partners such as with the Officers of the Slow Food Movement during a recently concluded event in Vienna where they agreed to consider hosting a »Green Awards« festival at next year's SFM General Conference in Turin.

Step 9:

Mainstreaming in Creative Global Currents

What can be done for advocacy?

Here's a follow-up to the Caribbean Project mentioned above. The first in a series of regional workshops on International Film Distribution takes place this Saturday, November 19, 2011 from 1-5 pm at the Trinidad and Tobago Film Company, Port of Spain, Trinidad. »Taking Caribbean Films to the World« is presented by CaribbeanTales Worldwide Distribution -- the region's premier film distribution company, marking the Official Launch of an important new partnership between CTWD, the Anima Caribbean Film and New Media Festival, and the Trinidad and Tobago Film Company, that envisions Trinidad and Tobago films holding an increased platform and building a stronger profile on the world stage.

Frances-Anne Solomon, CEO of CTWD said: »We are delighted to be working with these extremely important local organizations in a sustainable partnership that will bridge the gap between local production and the international market and take the local industry to the next stage.«

Animae Caribe's CEO and Founder Camille Selvon Abrahams summed it up: »Our partnership with CTWD is necessary and integral to the development of our industry going forward, as it connects us to the Bigger Picture.«

At the International Conference on Creative Entrepreneurship for a Competitive Economy, held in Tallinn, Estonia, 19-21 October 2011, almost all of the speakers who included policy makers, CI advocates and presentors of research studies highlighted factors that give CI's their comparative advantage:

- lower entry barriers to micro/small enterprises as off/farm livelihood initiatives;
- stimulate entrepreneurship with limited capital investments;
- attract business investors because they are not easily outsourced; and
- more credible to multilateral agencies because of local conception/ownership and visible productive participation.

The linkages with »green« and community tourism concerns such as slow food and wellness concerns are certainly helpful in drawing the nexus within such frameworks as Creative Value Chain and Territorial Marketing or Regional Branding:

responding to market opportunities, generating jobs and incomes, and attaining MDG-themes.:

2. Good Pitch Europe held its first event in London on 25 October 2010: it is another Initiative that brings together civil society and public institutions in partnership. Thus, UNIDO CI has begun to establish contacts with Good Pitch particularly because of their interest in supporting documentaries that emphasize green and human rights concerns.

Step 10:
Imagining Yourself as a prospective
Partner for the »Synergy Esprit Effect«
for Creative SEEing...

We conclude this special issue
with A QUESTION FOR YOU:

**As you have come
this far, are you
willing and able to
move forward
through CIs?**

UNIDO's Creative Industries Framework-in-Progress invites every prospective Entrepreneur and Curator to partake in a global venture where each one can become Creative Prosumers: producers and consumers changing the world with Public Goods by Creatively SEEing Industry for Development in the mix:

Access to:

- ➔ information on CI opportunities for sector-specific and local/territorial marketing;
- ➔ imaginative ideas and inspirational insights;
- ➔ technical innovation and business know-how from a pool of international experts.

Spin-offs in CI sub-sectors (architectural design spaces) and other industrial sectors:

- ➔ start-up livelihood activities;
- ➔ micro enterprises;
- ➔ small/medium industries.

Networks: that can lead to know-who and know-where for required resources to:

- ➔ stimulate research and analysis
- ➔ induce informed policy-making and budget allotments
- ➔ facilitate cross-border financing and resource-sharing.

**For which of
UNIDO's Pillars
of Development?**

- Integrating rural areas and people in the creative economy.
- Creating pro poor entrepreneurial communities with enhanced productive capacities for creative rural-urban crossovers that will generate useful jobs and stable incomes.
- Promoting investments for green growth and social justice.

Part IV
Epilogue:
Future
Directions

And what are the Future Directions?



UNCTAD Creative Industries Newsletter 16 carried this item: UN Secretary-General Ban Ki-moon launched the Creative Community Outreach Initiative, designed to forge meaningful productive relationships with the entertainment and creative industries. Specifically, the initiative aims to engage the creative community and explore how the media and the arts can join the UN for raising awareness and mobilizing public support to deal with global challenges. The Secretary-General was quoted as saying, »The UN knows drama. Our staff work and live in some of the toughest circumstances... when cyclones hit, when wars break out, when people flee their homes. We work to deal with humanitarian crises, armed conflicts, and countless health and environmental issues.

Yet many of these experiences remain untold. You in the creative community have a powerful voice, working to personally affect each viewer through recreating the drama we face on a daily basis«. Through creative media, therefore, we can bring honour, empathy and compassion to our stories, and, ultimately, to the people who experience them. Top film and television professionals as well as journalists and activists, are joining the Initiative to promote peace and awareness of critical global issues, in particular those related to the Millennium Development Goals. In this context, scriptwriters from Hollywood's film and television industries met with a handful of United Nations staff members who are on the frontline of the world's most pressing issues.

The work of United Nations agencies has been acknowledged as being »instrumental in conceptualizing and bringing together the creative community as an important voice of our society. In May 2010, the creative sector welcomed the G-8 leaders' commitments on intellectual property rights – which includes book, film, games, music and television industries – as a vital part of national economies.



Part of UNIDO CI response is being conceptualized: to set up a UNIDO Creative Observatory, that will bring together partners from various CI sectors in both the public and private initiatives, and thus be UNIDO's Creative SEE Platform.



This Special Issue aligns itself with the underlying sentiments expressed in a forthcoming **OECD-publication**, Food and the Tourism Experience that has been announced as follows:

»Tourism is a major part of the contemporary experience economy, in which food plays an important role. Food is a key part of all cultures, a major element of global intangible heritage and an increasingly important attraction for tourists. The linkages between food and tourism also provide a platform for local economic development, which can be strengthened by the use of food experiences for branding and marketing destinations.«

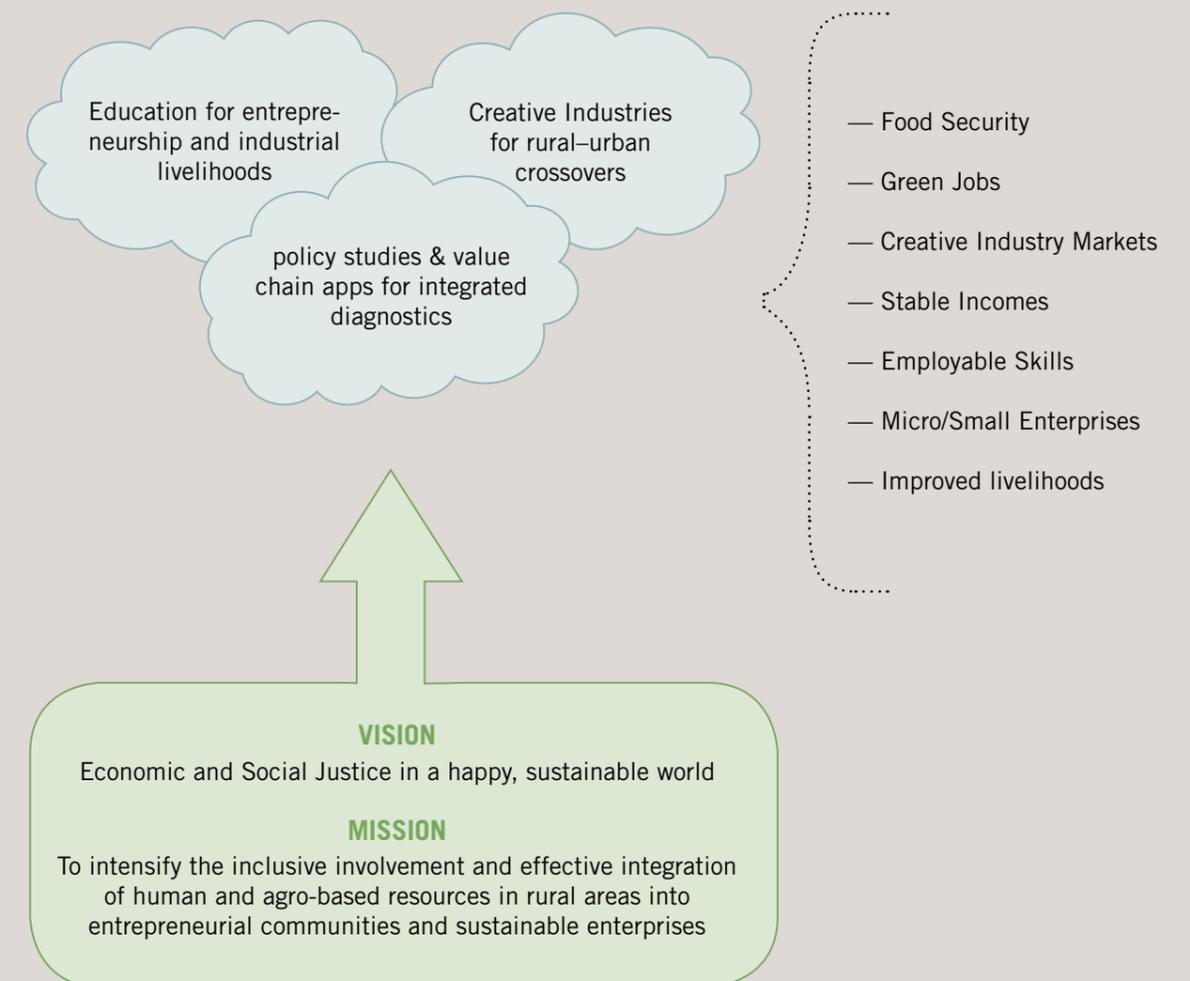
Emphasis is made that »One of the major challenges in the experience economy is dealing with the shift towards intangible culture and heritage... the focus of many tourists has changed from the classic 'must see' physical sights such as museums and monuments towards a 'must-experience' imperative to consume intangible expressions of culture, such as atmosphere, creativity and lifestyle. This provides new opportunities for tourism destinations as well as new challenges, particularly in the areas of experience development, marketing and branding.

GREENING THE BLUE

Rural Vertical Integration into Sustainable Enterprise Development

Focal Point Programmes:

Impact and Outcomes:



Résumé



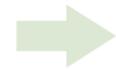
This thought provoking Special Issue on UNIDO's Creative Industries (CIs) Framework as »work-in-progress« has been presented to set the stage for pertinent issues related to the context and development of this sector. UNIDO, jointly with other UN agencies is at the forefront, recognizing the crucial role played by CIs in developing countries by fueling the creative »Synergy Esprit Effect« (SEE), with technical assistance. Several building blocks constitute the creative SEE within UNIDO's Creative Industries Framework – one of the programmes within the RES Unit of the Agri-business Branch, UNIDO's Division for Programme Development and Technical Cooperation.



As to the definition, classification and potential of CIs, UNIDO is being guided by the analyses of UNCTAD's Creative Economy Reports, including the use of creativity and intellectual capital as primary inputs. Creative Industries comprise both tangible goods and intangible services with creative content, economic values and clear market objectives. Productions of creative products are generating revenues through market access, trade and Intellectual Property Rights (IPR) for development impact.



The Creative Economy and the Green Economy are mutually supportive as creativity and intellectual capital are the main inputs for creative productions. CIs are stimulating ethical consumerism related to environmentally friendly designs of textiles, leather, furniture as well as eco-fashion, eco-tourism and traditional food. Most CIs have low carbon and water footprints, use/re-use and recycle resources: technical cooperation should keep this dynamism throughout the development chain.



By focusing on an approach of the »Ten Steps«, this CI Framework-in-Progress spells out the developments from 2005 to 2011 with the input of relevant public and private sector partners. Developing these partnerships is essential to support CIs in developing economies, particularly those of Least Developed Countries (LDCs). Assistance programmes to promote creative entrepreneurship and innovative thinking should support resources mobilization for job creation, thus sustaining the (creative) economy.



Technical competence building, quality designs and innovation initiatives with a clear market orientation as well as creating awareness of IPR have been concrete ways for UNIDO to respond to the needs for technical assistance projects in Africa, Asia and Latin America, while currently new technical cooperation programmes are being developed with the private sector industries and a network of academia. The »Creative Synergy Esprit Effect« needs to be further integrated into enterprise development strategies to impact on job creation and poverty reduction. CIs should help to resolve poverty issues, in particular to open up opportunities for rural communities, women and youth.



As to the lessons learned, the impact foreseen and measuring of project performance, it is crucial that in-depth analyses and action research be pursued as development tools for the CI sector, while simultaneously reviewing methodologies and relevant approaches to technically assist Member States.

Acknowledgements:

This special production is the fruit of a collaborative effort: it also benefited from the works of various UNIDO staff, experts, consultants, not all of whom could be mentioned by name, including those in the CI-sector with whom the author had been working intensively in various ways. In compiling materials, writing the text, and soliciting substantive feedback, Camilo would like to acknowledge the full support and congenial working relations with Aurelia and Inez as well as the operational and technical inputs of UNIDO Consultants Princy Elamthuruthil and Marlen Bakalli.

In the narrative nature of this Special Issue, it does not carry a bibliography. For those interested in further bibliographic references, the reader is encouraged to google the persons and institutions for their respective projects mentioned. A compendium work is worth noting at this point: A Way Beyond Creative Industries, a book published by ADVANTAGE AUSTRIA in 2010, Robert Punkenhofer (Ed/Hg) that could serve to take CI partnerships forward with a good basis for a reality check and networking platforms.

Thanks are due to those who provided photographic materials derived from the projects, for which it was not possible to identify their source. Special thanks are due for intensive discussions with and volunteered editorial/proofreading comments by Teresa Salazar de Buckle, Franz Karl Pruellner, and Nancy Stahl.

Concept & Text: Camilo Antonio, as discussed with Aurelia Calabro and Inez Wijngaarde
Creative Strategy Design: Maurizio Poletto, Collettiva Design
Graphic Execution & Layout: Miriam Strobach, Collettiva Design
Printed in Vienna: Mailboxes
ISBN: 978-3-9502274-1-3

© for the images is with the photographers; for the Power Point Graphic Slides: as sourced; for the rest, with UNIDO's CI PTC/AGR/RES at these contact Points:

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This document will be made available online at a later date.
As this is a pilot publication, no material will be quoted at this time.
Vienna, November 2011

This Special Issue on UNIDO's Creative Industries Framework-in-Progress is based on the project work carried out by Camilo Antonio, CI Curator-Advisor, in close consultation with Inez Wijngaarde, CI-Programme Focal Point, under the coordination of Aurelia Calabro, Unit Chief of PTC/AGR/RES.

This is a joint production within the context of the Agribusiness Development Branch, for which RES Unit would like to thank Philippe Scholtes, its Director, as well as colleagues within the Division for Programme Development and Technical Cooperation under the leadership of Dmitri Piskounov, for their continued understanding and collaborative support.

UNIDO's Creative Industries Programme:
a Framework in Progress



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