

Statement by the Deputy Secretary-General of UNCTAD

Discussion on "Culture in the Post-2015 Sustainable Development Agenda"

AS PREPARED FOR DELIVERY

Madame Chairperson,
Excellencies,
Ladies and Gentlemen,

I am a great believer in the role of culture in development and I feel privileged to be in Hangzhou, one of the seven ancient capitals of China. So, let me first thank the Hangzhou Municipal Government, the People's Republic of China and UNESCO for the excellent collaboration and hospitality.

The 2001 Universal Declaration on Cultural Diversity defined culture as "the set of distinctive spiritual, material, intellectual and emotional features of society or a social group", which encompasses art, lifestyles, value systems, traditions and beliefs. Defined like this, culture is naturally an essential component of human development. An expression of our humanity, it is part and parcel of what makes a human life fulfilled. Because of that culture has to feature prominently in our thinking on the 'world we want'.

Indeed, culture was recognized as an important contributor to sustainable development by the United Nations General Assembly. My organization, the United Nations Conference on Trade and Development, focuses on supporting developing countries. In my remarks today I would like to emphasize the contribution that culture and the creative industries in particular, can make to inclusive economic growth, poverty reduction and development.

Markets for creative goods and services based on indigenous knowledge, design and local culture have been showing greater resilience to global economic shocks and have grown dramatically worldwide, as more powerful channels of dissemination have emerged. Over the period 2002-2010, international trade in creative goods and services grew at an annual rate of more than 10 per cent, and in 2011 totaled 624 billion dollars, up from 261 billion in 2002. While the developed countries continue to dominate these markets, particularly for the high-value products, the South's exports of creative goods to the world reached 184 billion in 2010, equaling some 48 per cent of total trade in creative industries.

While developing countries face numerous economic obstacles, they all can draw on rich endowments in cultural heritage and creativity. In addition, the sector has many positive spillovers for broader human development, such as poverty eradication, gender and youth empowerment, and environmental sustainability.

Creative industries are often small family businesses relying on local cultural resources and low investment levels. Many of the authors or producers are freelance or self-employed. Therefore, the development of the sector including through the creation of educational opportunities, artists' guilds or cooperatives, can make a contribution to job creation and poverty eradication. Creative industries also tend to provide opportunities for women and the youth. Handicrafts and fashion can generate incomes for female and young artisans and their families, especially in rural areas where higher earning prospects are usually limited.

Many experiences from Africa, Latin America, Asia and other parts of the world can attest to how creative industries are supporting national transformation. In the film sector, just look at Bollywood in India or Nollywood in Nigeria, to see

how creativity and entrepreneurial drive can bring international success. Nollywood is providing more than 1 million jobs, particularly for the youth in the State of Lagos and is reported to generate about 500 million in annual revenue. Creative industries also yield large environmental benefits and help preserve cultural heritage. By promoting indigenous knowledge for community management and shared use of natural resources and ecosystems creative industries directly contribute to the sustainable use and conservation of resources.

Harnessing the creative industries for development requires supportive policies, institutional and regulatory frameworks at the national and regional levels, as well as partnerships at the international level. As the majority of enterprises in most creative industries are small and medium-sized, targeted support can yield significant benefits in terms of employment. Countries need to put in place institutional and financing mechanisms to support independent artists and creators, along with policies to attract investments that facilitate joint-ventures and co-productions. In addition, they can encourage public-private partnerships to stimulate creative businesses, increase awareness of intellectual property rights, and reinforce domestic legal frameworks. There is also a need to simplify and promote the establishment and registration of SMEs and professional associations, so as to help bring existing structures into the formal sector. Finally, Governments should facilitate access to advanced technologies, needed to open up new distribution channels for creative content.

UNCTAD has assisted a number of countries such as Mozambique, Zambia, Thailand and China in formulating or revising creative industry policies. We have also carried out policy-oriented research through the preparation of the Creative Economy Reports. The first issue was produced in 2008 on the challenge of

assessing the creative economy, with contributions from UNDP, UNESCO, WIPO and ITC. The second issue of the Creative Economy Report was produced in 2010 on the creative economy as a feasible development option. This year, UNDP and UNESCO are producing a special edition of the Creative Economy Report, with contributions from UNCTAD and other organizations, to focus on local level cultural and creative industry development.

We also provide a platform for intergovernmental debate on the creative economy. For example, later this month in Beijing, UNCTAD is organizing with the Government of China and the Beijing Municipality, a Global Services Forum to deliberate on the contribution of services to development. As part of this forum, we will dedicate a session to creative services. These types of partnerships aim at the exchange of experiences, a discussion on what role Governments can play, and the design of suitable frameworks for the management of creative resources.

Ladies and Gentlemen,

Despite the global slowdown, the prospects for continued growth in the creative industries markets are good. UNCTAD is working to help countries advance their creative economies and strengthen their potential for sustainable development. I would like to congratulate UNESCO for driving this initiative on the role of culture in development, and to reiterate our commitment to an international partnership in harnessing creative industries for inclusive growth and human development.

Thank you very much.