

UNESCO Asia-Pacific Regional Consultation  
on a New Framework for Culture Statistics

A BACKGROUND PAPER

Bangkok, October 2008

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## Executive Summary

The dominating importance of information in the global economy makes it imperative that concepts of culture and creativity be reassessed and repositioned at the centre of public policy. With the emergence of ideas as capital, the culture sector takes on a totally different role and is now increasingly perceived as an economic and intellectual asset and a renewable resource that may grow with investment, rather than as an economic liability. Hence, as economic and cultural policy must become ever more integrated, the need and demand for internationally and accurate data information as a basis for informed decision-making has become more and more pressing.

While aware of the growing economic importance of culture and information, many countries are uncertain just how to engage proactively with the culture sector as part of national development plans. This is primarily due to the traditional perception of culture as fine arts and heritage, in relation to which information has primarily consisted of inventories and archives and the need for accurate data relating to other aspects of the sector has not been a significant concern.

In response to the need identified by the Member States, UNESCO Institute for Statistics (UIS) undertook a review of the existing international standards for culture statistics. In cooperation and consultation with other agencies and researchers, a comprehensive framework was elaborated for the sector, the *2009 [DRAFT] UNESCO Framework for Culture Statistics*, which is here being presented to the Consultation for a final review and debate before it is presented for adoption by UNESCO General Conference in 2009. A copy of the *2009 [DRAFT] UNESCO Framework for Culture Statistics* is included in the background materials for the Consultation.

The Consultation will also discuss implementation modalities for the new Framework, especially in terms of the pilot project model developed under the Asia Pacific regional technical assistance programme, the JODHPUR INITIATIVES. The implementation of data projects at national level is an essential element in the realization of the Framework. Parallel implementation of national data projects based on the pilot project model in a number of countries will ensure a) that the new culture indicators have global validity and relevance, reflecting a diversity of cultures and values, and b) the establishment of international standards and mechanisms needed to generate information and track development in the culture sector.

A copy of the pilot project model – also known under the title *Cultural Industries Statistics: A Framework for the Elaboration of National Data Capacity Building Projects* is included among the background documents as well.

Together, the *2009 [DRAFT] UNESCO Framework for Culture Statistics* and the pilot project model present a response to the demand from Member States for more relevant and accurate data relating to cultural policy development and investment in the culture sector.

The background document proper lays out the background for this development and explains in more detail the relationship between the *2009 [DRAFT] UNESCO Framework for Culture Statistics and the pilot project model*. It also includes an overview of trends and initiatives related to culture statistics in the Asia Pacific region.

# 1 UIS 2009 New Draft Framework for Culture Statistics

## 1 A BACKGROUND

1. In 1986, UNESCO published *Framework for Cultural Statistics* as a first comprehensive attempt to develop an international standard for information on culture and cultural activities. The 1986 *Framework for Cultural Statistics* subsequently informed data collection and analyses on culture and related activities undertaken by many national statistics institutions.

2. For a while, however, it has been felt that the 1986 Framework is too limited to accurately capture the varied role that culture plays in society in different countries; particularly in terms of a more diverse perception of culture encompassing also traditional culture, and in respect of the new economic importance of cultural goods and services such as music, film and books, and new modes of production, distribution, and use. The new *2009 [DRAFT] UNESCO Framework for Culture Statistics* (FCS 2009) that will replace the 1986 Framework is therefore more comprehensive and flexible, aiming to capture cultural activities in a more diverse and encompassing way, able to reflect both the diverse manifestations of culture in many non-European societies and the impact of new technologies on contemporary culture everywhere. Particular attention has been given to develop a framework that captures the dynamics of creative industries and cultural diversity in a satisfactory way.

3. The discussions underpinning the revision of the existing *1986 Framework for Cultural Statistics* go back many years also within UNESCO, dating back as early as the General Conference of UNESCO in Nairobi in 1976. UNESCO first commissioned studies on cultural industries as a preparation for European and international conferences (Oslo 1976 and Mexico 1982). However, the Conferences had only limited impact on programming and policy development in the Member States. Only in 1995, with the establishment of the World Commission on Culture and Development and the publication of *Our Creative Diversity* (1995) were the issues raised again. These activities inspired the *Intergovernmental Conference on Cultural Policies for Development* and the first *World Culture Report - Culture, Creativity and Markets* (UNESCO, 1998). The report emphasized the need for new cultural policies and the emerging economic importance of the cultural industries. The trend was confirmed by the adoption by the UNESCO General Conference in 2002 of the *Universal Declaration on Cultural Diversity* and, subsequently, the adoption in 2005 of the *UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions*.<sup>1</sup>

4. Other international organizations have also made efforts to understand and harness the economic potential of culture-based activities. In this regard, the Council of Europe in 1985 set up a National Cultural Policy Review Programme, which later evolved into a new system for more efficient use of the compiled information (ERICarts' *Compendium*, <http://www.culturalpolicies.net>).

5. Over the last decade, the World Bank and regional development banks as well as Governments in industrialized countries have increasingly included culture and creativity in their programming, especially in terms of support for cultural industries projects, creating a demand for statistical indicators able to capture, and to support and develop, these economic activities.

6. The World Bank took up the challenge in a framework document from 1998 named *Culture in Sustainable Development* and established a working group of the same name. In cooperation with UNESCO, the World Bank organized two international conferences on this subject (*Culture in Sustainable Development*, 1998; *Culture Counts*, 1999), but has subsequently focused on more specific social and economic aspects of the debate in the conferences on *Culture and Poverty* (2000) and *Culture and Public Action* (2002).

7. In 2004, UNDP focused on diversity and inclusion in the Human Development Report 2004: *Cultural Liberty in Today's Diverse World*. The Report made a case for respecting diversity and building more inclusive societies by adopting policies that explicitly recognize cultural differences and the need for multicultural policies.

8. A different approach to the sector has come through the growing economic importance of intellectual property rights, especially copyright, in creative or cultural industries such as the movie and music industries.<sup>ii</sup> There is therefore a definite overlap of interests when it comes to identifying indicators for these industries' economic and social impact. To meet the demand for data on the economic potential of these industries WIPO has designed a model that has been adopted widely and tested through a series of national studies. The model published in *Guide on Surveying the Economic Contribution of Copyright-Based Industries* (Dec. 2003)<sup>iii</sup> is very wide and extends beyond activities that is normally considered culture-based.

9. WIPO also works with the development of standards for the recording of intangible intellectual property through the WIPO Intergovernmental Committee on Intellectual Property, Genetic Resources, Traditional Knowledge and Folklore, and related WIPO programme activities. This, as well, is an area where there is substantive overlap in interests between copyright and culture sector data and information needs.

10. As part of the research for the revision of the 1986 Framework for Culture Statistics, UNESCO Institute for Statistics (UIS) convened an *International Symposium on Culture Statistics* held in Montreal, in October 2002. The Symposium brought together 75 experts from 20 countries to discuss the Symposium themes including: products of culture, producers of culture, cultural policy issues, cultural consumption and practices, and cross national comparisons of culture statistics.<sup>iv</sup> After the Symposium, UIS followed the recommendations of the Symposium with research and publications related to particular aspects of cultural activities including a proposal for a new methodology for comparing international flows of cultural goods and services in 2005<sup>v</sup> and a global survey of audio-visual production and distribution (2007-2008).<sup>vi</sup>

11. Some countries have already worked to broaden the range of cultural activities that can be captured within their statistical practice. New Zealand, for example, has made a major contribution to the classification of cultural activities by seeking to include the key elements of Maori culture as separate elements of their statistical classification system.<sup>vii</sup> This and other relevant national experience to identify ways in which statistical systems can be more sensitive to cultural diversity and the cultures of a variety of sub-national and indigenous groups have informed the elaboration of the new framework and methodology.

12. In a similar way, the elaboration of the 2009 Framework has been informed by the experience gained by a number of countries and institutions undertaking sector studies for the creative or cultural industries (for more information please refer to FCS 2009 – p. 14ff).

13. The new revised Draft Framework was elaborated in December 2007 and a consultative process soliciting comments from Member States was launched by UIS in February 2008. As part of this consultative process, UIS has disseminated copies of the new *2009 Framework for Culture Statistics* to all the UNESCO Member States for comments. Direct national consultations on the framework have been organized to gather maximum feedback on the framework to ensure that it will be useful to national authorities. In addition, high level experts from regional and intergovernmental bodies such as EUROSTAT, UNCTAD and the OECD have been invited to provide comments on the Draft Framework. Finally, to animate the widest possible debate and to ensure acceptance and ownership to the new framework, UIS is organizing a series of regional Consultations in different parts of the world.

14. The final draft version of the new revised *2009 [DRAFT] UNESCO Framework for Culture Statistics* shall be presented for adoption by the UNESCO General Conference in 2009.

## 1 B DEFINITIONS AND SCOPE OF THE NEW FRAMEWORK

15. While there is a definite demand for comparable data on certain dimensions of culture across cultures and countries, the new *2009 [DRAFT] UNESCO Framework for Culture Statistics* acknowledges that the definition of culture is closely related to national and social identity as a reflection of certain shared beliefs or values that cannot be measured in a systematic or comparable fashion. The Framework therefore is based on the use of proxy indicators related to cultural activities:

“Instead, the Framework for Culture Statistics aims to identify culture through the behaviour and activities resulting from those beliefs and values.” (FCS 2009 - p. 7)

16. The definition of culture may differ from country to country. For this reason, the new Framework was designed to provide a flexible structure that both allows for diversity and comparability. Within the Framework, each country may:

“.. select domains or sectors of activities which they consider to be central to their culture. Where countries select the same domain, they should use the definitions set out in this document, making data internationally comparable for that domain. Although the standards used for constructing these definitions are economic, the interpretation of the resulting domain is not limited to economic aspects of culture and extends to all aspects of that domain. Thus, the definition for the measurement of ‘performance’ includes all performances, whether these are amateur or professional and take place in a formal concert hall or in an open space in a rural village.” (FCS 2009 - p. 7)

17. The cultural domains are identified in the Framework to cover all aspects of cultural activities including commercial and non-commercial, traditional and modern, fine and popular art forms, and to suit both internationally and more indigenously minded sensibilities. The *2009 [DRAFT] UNESCO Framework for Culture Statistics* operates with five core cultural domains: 1) Cultural and Natural Heritage; 2) Performance and Celebration; 3) Visual Arts, Crafts and Design; 4) Books and Press; and 5) Audio-visual and Digital Media.

“The definition of cultural domains follows a hierarchical model that comprises core and related cultural domains. The core domains include cultural activities, goods and services that are involved in the different phases of the cultural production chain model. The related domains are linked to the broader definition of culture, encompassing social and recreational activities. They represent categories that have a cultural character, but which have a main component that is not cultural. Within each domain, an additional sub-category of expanded products and activities is established. This makes it possible to take into account the “tools of cultural products and activities”. Core products (goods and services) are those directly associated with cultural content, while expanded cultural products are equipment and materials, as well as ancillary services (even if they are only partly cultural in their content), that facilitate or enable the creation, production and distribution of core cultural products. The reason for making the distinction between core and expanded is to be able to include in these categories elements that are not essentially cultural but that can be used for the production or execution of a cultural good or activity and that are necessary for the existence of these cultural products.” (FCS 2009 - p. 29)

For a fuller description of the domains please refer to FCS 2009 - p. 28-31.

18. The *2009 [DRAFT] UNESCO Framework for Culture Statistics* does not include activities related to tourism, sport and leisure activities among the core cultural domains but classifies these as related domains, which inter alia include gambling, toys, and games in its expanded form.

19. In addition to focusing on a broader range of culture and cultural activities, the new Framework also aims at capturing different dimensions of cultural activities by focusing on both economic and social indicators related to the cultural domains.

20. Hence the new Framework includes for example participation in culture as a key to documenting a broader concept of cultural practice and diversity, and it introduces education as an important function in the cultural cycle and the creation of cultural and creative capital.

*“The social elements of culture need to be captured by statistics to ensure that culture is not reduced to an economic phenomenon. The social dimension of culture helps to strengthen identity and social cohesion. It introduces key aspects of culture, such as education and traditional knowledge..” (FCS 2009 - p. 7)*

## BOX 1/(Figure 1):

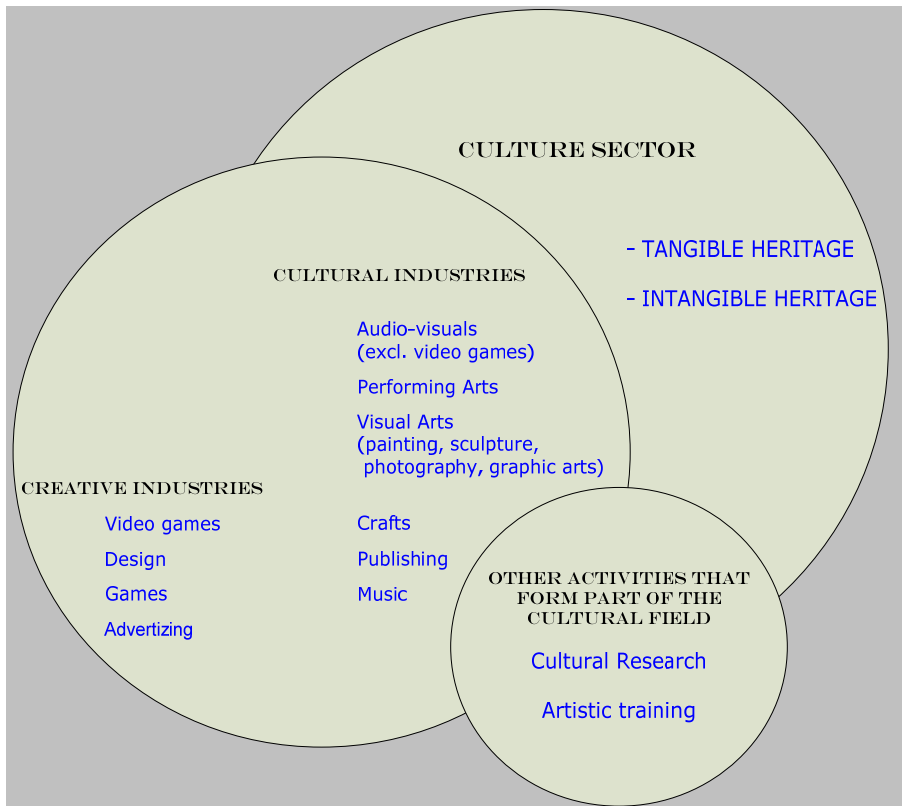
### CULTURAL AND CREATIVE INDUSTRIES: DEFINITIONS AND TERMINOLOGY

The *creative economy* is generally accepted as a notion for an increasingly important part of economic activities worldwide. The businesses and industries that make up this new creative economy have given rise to differing or overlapping definitions with *creative industries*, *content*, *knowledge* or *copyright-based industries*, and *cultural industries* as some of the main categories applied. In everyday usage these terms are often used almost interchangeably though there is also a growing consensus on the different connotations and perspectives implied with each of these terms. Within this consensus the cultural industries are separate from creative industries or even embedded as a particular segment within the wider notion of creative industries. What is common for all the 'new' industries covered by these categorizations is that knowledge, education, creativity and intellectual property are very prominent features of product development and profit.

Whereas the notion of the *creative industries* is perhaps the widest and most commonly used it is also the most unwieldy concept. A definition of the creative industries was first proposed by the UK DCMS 1998 *Mapping Document* as '*those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property*'.<sup>viii</sup> It includes creative activities in the service sector such as advertising and publicity, television, radio, films, and entertainment, but also science and technological innovation, software and database development etc. that are creative but not rooted in culture and heritage in the same way as the notion of cultural industries is.

The concept of *cultural industries*, on the other hand, refers to a wide range of industries from publishing and graphic industries, to film-making, recording of music and other oral traditions, multi-media productions, crafts of many kinds, fashion, architecture, fine arts and the performing arts that are based on knowledge and skills derived from culture and heritage knowledge. Hence the concept of cultural industries is narrower and does not include innovation as such, for example in terms of scientific research and applications, nor does it include as many services as the notion of creative industries may do. It means that the economic potential of the cultural industries is more directly dependant on the cultural assets and capital, and on the whole is on another scale than that of the creative industries.

The notion of cultural industries is also different from a categorization based in the notion of intellectual property which is closely linked to the concept of information-driven economies and which includes scientific and technological innovation, software and database development, but also telecommunication services, production of hardware and electronic equipment, and retail sales and distribution of creative goods and services, in other words products and services in which creativity as such play a smaller role. Often the term creative industries is also used in this context but as a wider concept than that applied in the mapping studies referred to in Figure 2.



**Figure 1:**

The FCS 2009 encompasses a wide range of cultural activities including cultural and creative industries. A recent guide to mapping studies produced by British Council in cooperation with the Colombian Ministry of Culture illustrated the delineations of an emerging consensus on notions and terminology as illustrated in the figure reproduced here.

**Guide to Producing Regional Mappings of the Creative Industries**

© 2007, Ministry of Culture – Republic of Colombia



## 1 C CHALLENGES FOR DATA ANALYSIS RELATED TO THE CREATIVE ECONOMY

21. The main purpose of the new *2009 [DRAFT] UNESCO Framework for Culture Statistics* is to facilitate the measuring of "cultural activities, goods and services that are generated by industrial and non industrial processes" (FCS 2009 – p. 29). The emphasis accorded to the economic aspect of culture, especially in terms of the inclusion of cultural and creative industries in the *2009 Framework for Culture Statistics* reflects the growing importance accorded to these industries in international economy and trade.

22. Hence, the potential of the cultural industries is increasingly recognized and incorporated also into national economic development plans and regional economic cooperation. In Asia, a high-level expert consultation, convened in Jodhpur, India, in February 2005, highlighted the more and more important role of the cultural industries and their direct link to the achievement of the Millennium Development Goals, and underscored the need for policy support and technical assistance, articulated as the *Jodhpur Consensus*.<sup>ix</sup>

23. In many countries, however, there is a lack of knowledge and data about these industries operate and the sector functions, and therefore about how to develop it in the most effective and equitable ways. As cultural policy and economic policy must be increasingly integrated, the lack of reliable data on cultural and creative industries and the need to establish better mechanisms for internationally comparable data emerge as top priorities for Government support, in all regions of the world.<sup>x</sup>

24. While it is technically possible to compile data on the creative or cultural industries from different countries and regions, as testified by many mapping studies, in reality the findings may be misleading due to the general absence of reliable raw data on creative industries due to the lack of clear definitions and standard methodologies for data collection, sampling, and analysis.

25. Most countries in the world collect and analyze economic and social data as part of their national statistical data systems; the mechanism for collecting and sharing this information is also known as the 'national accounts'. The national accounts system is a conceptual framework that sets the international statistical standard for the measurement of the market economy. It typically includes information on national income, expenditure and product accounts, financial accounts, the national balance sheet and input-output tables. The national accounts include many detailed classifications (e.g. by industry, by purpose, by commodity, by state and territory, and by asset type) relating to major economic aggregates. At their more detailed level, they are designed to present a statistical picture of the structure of the economy and the detailed processes that make up domestic production and its distribution. At their summary level, the national income, expenditure and product accounts reflect key economic flows - production, the distribution of incomes, consumption, saving and investment.<sup>xi</sup>

26. The national accounts system typically includes data related to a more traditional concept of culture and the arts, e.g. information related to publishing, libraries, newspaper distribution, TV and radio, museums and collections – but does not yet collect and analyze information related specifically to the cultural industries. The situation certainly makes it difficult to make authoritative statements relating to the potential of this sector for economic and social development, and therefore also to mobilize policy interest and the necessary investments in creative industries in the less affluent countries and regions.

27. A specific issue in this respect is the fact that decision-making concerning funding in many countries increasingly is devolved to local authorities; combined with a lack of data information on cultural spending at local or municipal level it becomes almost impossible to consider policies in a national perspective.<sup>xii</sup>

28. In parallel to the complexities of defining creative or cultural industries (see Box/Figure 1 above), difficulties in clearly defining 'cultural or creative occupations' is a key obstacle to the production of comparable data on employment in the creative industries. Prompted by

similar concerns as those that led to the revision of the 1986 *Framework for Culture Statistics*, OECD in 2006-7 undertook a project on the *International Measurement of Culture* in co-operation with UIS and many other organizations. One of the results was a list of cultural occupations, agreed with UIS and WIPO that was incorporated into the new 2008 version of the *International Standard for the Classification of Occupations* (ISCO).<sup>xiii</sup> Following this OECD has turned their interest onto more mainstream assessment of 'well-being', which reflects the general recognition of the need to capture not only economic impact but also the social and cultural dimensions of progress.

29. A different kind of problem - but also rooted in the lack of accurate data on the sector - stems from the fact that the value-chain analysis adopted by many creative industry sector studies is too simplistic to provide the necessary information needed for evidence-based policy formulation in support of the sector's development as a whole. Limited to the economic impact of individual creative industries and to the consumption of the products generated by these, the analysis is incapable of showing the impact of creative industries not just as an output attribute of the consumption of creative goods but as an end in itself that links to strategies for social/community regeneration as a development goal. As a simple analytical value-added model it does not reflect how the creative capital is engendered and renewed. Neither does it show how, for example, in some countries the lack of an appropriate legislative/regulative framework hinders the development of the small and medium size private business units that are fundamental to growth, investments, and the development of creative industries.

30. To provide the kind of data and information needed to support and guide policy development and investment, the new *2009 [DRAFT] UNESCO Framework for Culture Statistics* proposes an approach that is fundamentally based on an economic sector analysis but which includes all activities within "the entire cultural creative chain" in order to reflect the dynamics of cultural activities and the generation of creation and innovation:

"The model includes all activities; services and goods produced by cultural industries, whether these are factory-based or cottage-based, and are described as craft or artisanal production

(see FCS 2009 (Figure 5)). It also includes all elements of participation in cultural activity, whether this is through formal employment or attendance at formal or informal cultural events, or through cultural activities at home. The model covers the entire cultural creative chain."

(FCS 2009 - p. 33-34)

"The challenge for a robust and sustainable cultural statistical framework is to cover the contributory processes that enable culture to not only be created but distributed, received, used, critiqued, understood and preserved, together with the education and training that underpin these activities" (FCS 2009 - p. 25)

31. The Framework therefore aims at dynamic, analytical model of culture and cultural industries that reflect the cyclical relationship of the three different dimensions of the socio-economic environment in which cultural activities exist: (i) the cultural capital, (ii) the cultural infrastructure and policy environment, and (iii) the cultural industries themselves.



The pilot project model – published under the title *Cultural Industries Statistics: A Framework for the Elaboration of National Data Capacity Building Projects* can be downloaded for free from the web-site [http://www2.unescobkk.org/elib/publications/131\\_132/index.htm](http://www2.unescobkk.org/elib/publications/131_132/index.htm)

## 1 D OPERATIONALIZING THE FRAMEWORK

32. The new *2009 Framework for Culture Statistics* represents a significant step towards establishing international norms for data and mechanisms aimed at capturing the increasing importance of culture in economic development. However, the *2009 Framework for Culture Statistics* essentially proposes a new classification for culture and cultural activities that corresponds more accurately with notions such as cultural and creative capital, cultural diversity, intangible heritage, and – importantly – the cultural or creative industries, but it does not (yet) include definitions and analytical tools for specific indicators - and so there is still some work to be done before the model is fully operational.

33. However, responding to the urgent need for baseline data for the cultural industries sector in its member countries and the requests for technical assistance in this respect, UNESCO in cooperation with WIPO, UNIDO, UNDP, the Hong Kong University and other partners has, over the last few years, developed a pilot project model, *Statistics on Cultural Industries*, for the elaboration of national capacity building projects for data collection and analysis related to the cultural industries sector.<sup>xiv</sup>

34. The pilot project model was developed in tandem with the UIS new *2009 Framework for Culture Statistics* and it represents a way to approach the operationalization and implementation of the new Framework.

35. The pilot project builds on the fact the while many national statistical offices do not collect data on the output of cultural industries nor have the capacity to do so it is, nevertheless, possible to derive such data from existing data-sets through secondary data analysis as documented in the different mapping studies that have been undertaken in recent years. Hence the pilot project aims at facilitating the generation of internationally comparable statistical indicators related to the creative economy as part of the national statistical offices' regular data collection and analysis. The pilot project therefore aims to strengthen and develop the national statistical offices' (NSO) capacity in this area through the elaboration of guidelines and tools for data collection and analysis, reporting formats, and trends analysis pertaining to the cultural industries sector.

36. Similar to indicators for other economic sectors, indicators for the cultural industries may be assessed as a ratio of working population, output, capital, and productivity. However, unless data information on other aspects of the sector is included it will be possible to get a more accurate picture of the sector. Such data may include information on arts and cultural programmes, the workforce engaged in skilled pursuits in the non-formal sector, their economic contributions and productivity growth, the number of patents or proprietary rights on products/processes, investments in R & D and in higher education, donations and expenditure towards social welfare and cultural activities, as well as non-economic factors such as the mobility of workers and capital, societal regimes of law, civil rights and freedoms, socio-cultural and financial infrastructure, ethical and behavioral attributes of trust, reciprocity, cooperation, public participation, attitudes to minorities, etc.

37. The aim of the pilot project model is to identify a limited number of key data on the sector that can be collected on a regular basis using standard statistical sampling methodologies. Through regular data collection and analysis, the pilot project will eventually be able to produce the kind of time-series data information that is essential for the evaluation of the cultural industries sector's growth and the effectiveness of policy support and investments. Policymakers need to get such information on a regular basis in a form that easily translates into policy analysis and interventions.

38. Hence, the scope of the activities and findings that will be implemented in national projects based on the pilot should not be mistaken for the kind of one-time comprehensive mapping exercises or sector analyses already undertaken at the national or city level in countries and cities like Singapore and Hong Kong. Instead, the pilot project model introduces a methodology for data collection that can reasonably (and within the limitations of recurrent budgeting) be undertaken by the national statistical office or similar institutions as part of the regular and recurrent national data collection and analysis.

39. The pilot project model applies the flexible design of the new revised *2009 [DRAFT] UNESCO Framework for Culture Statistics* to address the problem that not all countries possess the same resources and capacities to collect statistics on culture, and that policy priorities and resources in this respect may vary. By using ISIC and ISCO codes (or if possible a more aggregated coding system e. g. CPC) as a basis for definitions and the identification of indicators, the pilot project makes use of secondary analysis of data gathered through existing surveys such as national labour force surveys rather than a much more resource demanding primary data collection exercise.

*"Countries with fewer resources will be able to use the basic fundamental structure of the ISIC and ISCO classifications to measure cultural activities through standard economic statistics, and household surveys such as labour force surveys and censuses. Countries with more resources and in priority domains will be able to collect more elaborate statistics using the Central Product Classification and more finely tuned, or dedicated, statistical instruments" (FCS 2009 - p.8).*

40. To overcome the difficulties in clearly defining cultural industries and to cover the different aspects of these industries, the pilot project model features four different project components that each focuses on a specific aspect of the cultural industries. The four components are not comparable in terms of resources and duration but they complement each other and correspond to different stages in the development of a national system for collection, analysis, and use of statistical data on the cultural industries. The four components of the pilot project model are outlined below.

41. Component A is a diagnostic study that is needed in order to enable the more regular data collection and analysis in Component B. The goals of Component A are, firstly, to identify the sub-domains of the cultural industries relevant to a particular country, with reference to the coding system adopted (ISIC/ISCO or CPC - see Annex 1) and, secondly, to identify and review the status of existing data and other documentation of these sub-domains (or sub-sectors) in a given country. Based on this information it becomes possible to prioritize and plan in detail the statistical work of Component B.

42. As discussed in the *2009 [DRAFT] UNESCO Framework for Culture Statistics* the impact of culture can only really be assessed by looking at both the economic and the social perspectives of cultural activities.

43. To do so Component B of the pilot project model includes four different modules that measure different economic and social impacts of a cultural industry applying different methodologies to do so. The four modules of Component B are:

- Module 1 measures the economic aspects of the core-copyright industries
- Module 2 measures the economic aspects of the partial copyright industries
- Module 3 measures the socio-economic impact of cultural industries on employment and education/training needs
- module 4 on the social impact of the cultural industries in terms of participation in culture and consumption of cultural goods and services

44. Component C is made up of a series of studies of technical nature aimed at elucidating issues that are not covered through the modules of Component B covering:

- basic information needed for the implementation of the statistical activities of Component B;
- deeper understanding of issues that affect the cultural industries sector across countries;
- studies of policy efficiency.

45. Finally, Component D, the comparative Creativity Index, links the information on the cultural industries sector with policy by inputting the data into a matrix to evaluate the overall efficiency of policy interventions and the competitiveness of the sector over time.

46. Each of the four components defines their subject with reference to the same conceptual framework – namely the *2009 [DRAFT] UNESCO Framework for Culture Statistics* - and represents one part in the overall methodology (guidelines and tools) for the collection and analysis of key data pertaining to cultural industries in a country.

47. In line with the indicators discussed in the new *2009 [DRAFT] UNESCO Framework for Culture Statistics* (see FCS 2009 – figure 8, 10, and 11) the pilot project model outlines a series of indicators covering key aspects of culture sector performance and impact

48. While there is strong international consensus on what the economic indicators for culture-based activities should be, there is less international experience related to the identification of indicators for the social impact.

49. The generally agreed indicators for the economic impact include:

- the size of the business base;
- the output of the creative industries as a percentage of GDP (measured through output/production, expenditure, or income);
- foreign trade;
- employment measured through employment data, payroll information, jobs; FTE – full-time equivalent employment; and total hours worked;
- private and public investment in the cultural sector.

50. The generally agreed indicators for the social impact are:

- Participation in culture;
- Consumption of cultural goods and services.

51. Examples of the indicators are listed in FCS 2009, tables 10 and 11. What is common about these indicators is that they measure one of three things: volume, rate of growth, and investment.

#### PILOT PROJECT MODEL COMPONENTS:

COMPONENT A Diagnostic Sector Survey Model

COMPONENT B Statistical Data Collection and Analysis for Cultural Industries Sector Development

MODULE 1: The Economic Contribution of Core Copyright Industries

MODULE 2: Key Business Statistics for partial Copyright Industries

MODULE 3: Employment Patterns in Cultural Industries

MODULE 4: Social Impact of Cultural Industries

COMPONENT C Policy Case Studies

COMPONENT D Benchmarking Creativity

#### 1 E REGIONAL COOPERATION

52. The pilot project model is being implemented in Asia Pacific under the umbrella of the inter-agency JODHPUR INITIATIVES technical assistance programme. To ensure the advancement of the international agenda for cultural diversity and the Millennium Development Goals, UNESCO, in collaboration with partner UN agencies and Bretton Woods institutions (UNIDO, WIPO, the World Bank and the Asian Development Bank ), convened a Senior Experts Symposium in Jodhpur, India in February 2005. The Symposium debated the relevance and implications of the creative economy for poverty reduction and sustainable development in the region. The outcome of the Symposium was a) a Resolution, the *Jodhpur Consensus*, stating the importance of cultural industries as an element in a strategy for more sustainable development and b) the establishment of an inter-agency technical assistance programme, the JODHPUR INITIATIVES for the promotion of cultural industries sector development and trade in the Asia-Pacific Region.

53. Established as a common programming and coordination platform for regional cooperation in the area of cultural industries sector development, the JODHPUR INITIATIVES provides a modality to strengthen the synergy between different interventions and stakeholders and the critical mass sufficient to affect the structural change that allows the extension of the creative economy also to the poorer and less developed parts of the Asia Pacific region.

54. The JODHPUR INITIATIVES is based on the idea that external technical assistance can mobilize and underpin South-South cooperation for economic growth and social development. Hence, linking regional collaborative efforts that underpin and strengthen the implementation

of national cultural industries projects under the JODHPUR INITIATIVES to already-existing regional cooperation initiatives greatly reduces costs and simplifies the organization of these activities. The advantages of implementing national data projects based on the pilot project model as part of this strategy are many:

- It allows countries to share information and benefit from the accumulated and varied experience from national data projects based on the pilot in different countries;
- It enhances governance and the coordination of the different activities undertaken at national level for the promotion of cultural industries;
- It supports the synergy between different organizations' activities;
- It raises the issues to high-level policy forums;
- It facilitates that the focus of these activities firmly remain a part of a national strategy for poverty reduction and social development.

55. Through the participation in regional cooperation activities, the impact of these national activities are then enforced in the context of specific project objectives such as the identification of standard indicators for the cultural industries; the establishment of a regional creativity index; and support for the establishment of a satellite account project for the cultural industries.

56. To facilitate cooperation and progress in the national projects, the JODHPUR INITIATIVES programme is whenever possible tactically embedded within existing regional cooperation mechanisms. Such cooperation has already been established with the regional organization of BIMSTEC in South-East Asia and the *Asia Culture Cooperation Forum* (hosted by Hong Kong SAR, China) in South-East-Asia, while the establishment of similar cooperation arrangements including countries like Viet Nam, Cambodia, Mongolia, and the Pacific Island countries, are underway.

57. The pilot project under the JODHPUR INITIATIVES is expressly designed to implement the new *2009 [DRAFT] UNESCO Framework for Culture Statistics*. The parallel implementation of national data projects will test the indicators and standardize implementation procedures for the new Framework based on the pilot project model. Hence the implementation of national data projects based on the pilot project model will allow also experience and values from the Asia-Pacific region to more directly influence the adoption of international standard indicators for culture activities.

## 2 ASIA PACIFIC PERSPECTIVES

### 2 A THE CREATIVE ECONOMY IN ASIA PACIFIC

58. The absence of valid comparable data related to cultural industries makes it difficult to make authoritative statements relating to the extent and investments in cultural industries in different countries and regions. Even when data information is available or when studies have been undertaken comparisons are difficult as the data are based on different definitions and methodologies. Unfortunately, even information circulated widely in recognized publications on the global size of the creative economy or the growth of the sector is vulnerable to the lack of reliable and internationally comparable data. The trends identified below must therefore be taken not as an absolute truth but as a reflection of the information that is currently available.

59. The creative industries have certainly been a vital element in the development of the mature economies of the world. In the Asia-Pacific region, similar economic developments can be observed in countries such as Australia, New Zealand, Japan, and the Republic of Korea, and to a lesser extent in the fast-growing economies of countries such as Malaysia and Thailand. Many city authorities in China, and Singapore, Japan, and Korea, have formulated economic investment policies based on creativity and creative enterprise as a strategy for economic growth and competitive advantage.

60. However, in most of the countries of Asia the creative economy is not really a concept that has taken hold and it is certainly not reflected in national economic development plans. Neither are the concepts of creative or cultural industries, which are not used in any kind of debate of national economic strategies.

61. There is, nevertheless, a large group of countries in which there are important economic activities that are part of what in other countries is considered the creative economy; this grouping includes countries like China, India, Indonesia, Malaysia, Singapore, Thailand, Viet Nam, and the Philippines – these countries may all be considered major Asia Pacific economies that have a strategic interest in creative industry development though it may not be expressed in those terms. In other countries or regions there is lower emphasis on creative industry development but especially crafts industries, furniture making, and handloom industries have traditionally been widespread secondary employment activities – e.g. Bangladesh, Bhutan, Cambodia, Lao People's Democratic Republic, Myanmar, Nepal, and Pakistan. Obviously, there is some overlapping between the countries in these groups as regional differences are very large.

62. Finally, there are countries where the cultural industries are an almost unnoticed category of the economy especially in the Pacific Islands and in Central Asia. In these countries cultural industries mostly exist in terms of more traditional science and cultural activities, and the cultural manufacture that is part of the communities' (traditional) life.

63. There is a growing interest in the region in developing strategic support for the development of these activities for local economic and social development. This is the motivation behind both individual development projects and such regional programmes as the JODHPUR INITIATIVES and the Paro Initiative, adopted by the BIMSTEC group of countries<sup>xv</sup> as a basis for their economic cooperation in the field of culture industries and supported by a wide range of international agencies.<sup>xvi</sup>

### 2 B URBAN AND RURAL CONTEXTS

64. Richard Florida's thoughts on the new importance of place for economic competitiveness have been influential far beyond his own homeland and have put new ideas to the fore on urban development as a means to attract members of the creative class that are essential for the development and proliferation of creative clusters and businesses:



"The key factor today revolves around the ability of places to attract talent and and unleash it in a broad cross-section of the population. An energized city is the place where creative, entrepreneurial, and forward thinking people from every walk of life, every class, every lifestyle want to be. And people with abundant creative energy don't want to be safely tucked away somewhere. They want accidents to happen, look for the rough edges and seek the authentic. . . new ideas really do require old buildings." xvii

65. Considering that the majority of cultural industries are located in or around major urban centres it is also not surprising that urban regeneration and cultural districts are the focus for much debate in Asia, and that cultural industries have become a buzz word in this context in recent years. However, the economic reality and emphasis throughout the region tend to be on the development of large-scale projects planned to accommodate the new industries in the form of 'creative industry parks' or other infrastructure investments. The scope and numbers of these kinds of developments in Asia are breathtaking as illustrated through examples from China such as Hong Kong's West Kowloon development project, the comprehensive Chaoyang District development in Beijing, or the development of creative industries parks in and around Shanghai. Other cities in the region have made similar investments.

66. In reality, there often seems to be a gap between the articulated and official policies concerning culture and creativity and their implementation and subsequent results. The use of cultural districts in urban redevelopment plans provides good and tangible examples of this discrepancy. Hence, very few projects acknowledge the complexity, resources and diversity that foster unique cultural districts, and the ability of their cultural uniqueness to enhance the quality of life and attract tourists and others is far too often taken for granted. The associated rapid modernization process, the scaling-up of activities, the top-down urban renewal, and the measures of cost-effectiveness, associated with this development is often at the expense of or even contrary to the needs and interests of the very culture and environment that is necessary to nurture the cultural industries.

67. With the notable exception of projects such as OTOP in Thailand and in other countries, the debate on creativity and cultural industries is in Asia almost entirely focused on a few major urban centres. While it is true that cultural industries like crafts, furniture making, and handlooms, are strong and that with proper policy attention and investment they hold significant growth potential for the cultural industries sector in almost all countries in Asia, they are in general not part of any debate on cultural or creative industries that could help them grow. While especially the crafts industries and cultural tourism centered on heritage sites have attracted some attention and are recognized for their potential for income generation they remain isolated activities and there are no strategic economic development plans related to these activities. In general, these kinds of industries are the focus of individual projects driven either by entrepreneurs or as part of development projects funded by the Government or external international assistance, or by NGOs. More often than not these economic activities fail to maintain the economic growth foreseen in the projects as soon as external support stops due to restraints in terms of lacking infra-structure or inadequate funding. The *One Tambon One Product* (OTOP) programme which originated in Japan but has become a flagship of the Thai export strategy in recent years, is in some ways an exception to the general situation but it remains unclear exactly how sustainable the model is and how much it actually benefits the local producers.

68. There is, on the other hand, no evidence that the potential for creative industries should be essentially different in the rural areas (limited to crafts) than in the economically more developed regions. Similarly it should be kept in mind that for an analysis of the creative economy there is no fundamental difference between traditional crafts and crafts that produce modern and more innovative products. Independent of the kind of technology that is applied they are all cultural or creative industries.

69. But there are some initiatives to build links more extensively with the creative economy. In Bangkok in July 2004, the First Summit of the Bay of Bengal Initiative for Multi-

Sectoral, Technical and Economic Cooperation (BIMSTEC) agreed to expand the scope of cooperation within BIMSTEC to also include 'culture' and to actively promote cultural industries as a strategy for poverty reduction and community vitalization. The details of the agreement were elaborated in the PARO INITIATIVE, which outlines a plan of action for cooperation and trade in the area of cultural industries.

70. The need for comparable baseline data as a basis for needs assessment and evidence-based policy development made data collection based on the pilot project model a first priority of the cooperation (see Box). Consequently, Bhutan offered to host a BIMSTEC Observatory for cultural industries research and data analysis; plans to implement the Observatory are underway.<sup>xviii</sup>

## **BOX THE PARO INITIATIVE - BIMSTEC CREATIVE CLUSTERS**

The cultural industries are a highly competitive area in which all BIMSTEC member countries have their own particular competence and experience, based on each country's history, culture, and environment. However, it is in collective action and cooperation that the comparative advantages of BIMSTEC as an economic region has the potential for significant global impact.

Collaboration as [BIMSTEC Creative Clusters](#) is a strategic approach that will enable us to use the synergies between our countries to promote the creative sector as a driver of development, able to penetrate even the most entrenched pockets of poverty in our countries. At the same time, this strategy will enable us to cooperate, and in this strength, to leverage the competitive edge of our distinct regional products in the global marketplace.

The result will be the vitalization and truly sustainable development of cultural communities throughout our member states based on skills and products unique to our region and matchless in the world.

### **MODALITIES FOR COOPERATION:**

#### **1. BIMSTEC Cultural Industries Data**

In order to make decisions to promote cultural industries in the most effective manner, it is necessary for member countries to participate in and cooperate on coordinated national data collection and analyses of the cultural industries sector to establish baseline data and undertake needs assessment for sector development in each country.

#### **2. BIMSTEC Common Marketing Platform for Cultural Industries Products**

Common marketing platforms for BIMSTEC cultural industry products could include:

- a common e-commerce portal
- branding the BIMSTEC creative edge
- coordinated quality control mechanism
- expositions

#### **3. Financial Mechanisms for the Promotion of Cultural Industries**

- research on modalities for the mainstreaming of cultural industries activities in the non-formal sector, notably in terms of identifying opportunities for extending loans and access to credit for these activities on par with the facilities that are available to other sectors of the economy
- the creation of a consortium of national development banks for the provision of lines of credit tailored to creative entrepreneurs

#### **4. Coordination of Intellectual Property Rights Protection for Cultural Goods and Services**

- data exchange on the registration of copyrights, patents, trademarks, etc; coupled with global monitoring of BIMSTEC registered properties
- workshops for creative entrepreneurs in selected industries to assist them in accessing IPP rights related to their products
- application of new and underutilized protection instruments at the regional level (e.g. geographic indication)
- establishment of regional collection societies
- common licensing and enforcement strategies (implemented at the national level)

#### **5. Safeguarding Cultural Capital Assets**

- establishment of BIMSTEC protocols for the undertaking of strategic cultural impact assessments as part of sector planning proposals and individual development projects
- strengthening archiving and research institutions
- promotion of international standards for safeguarding culture, with an emphasis on local cultural expressions that have potential for cultural industry development

#### **6. Cultural Tourism**

- establishment of a code of conduct for tourist operators
- licensing of specialized cultural tourism guides
- promotion of BIMSTEC culture products within the local tourism industry, regionally and globally
- establishment of BIMSTEC protocols for tourism impact assessment at cultural sites

#### **7. Professional Development**

- networks of professional organizations and associations
- networks of human resource development training and research institutions
- strengthening of non-formal professional training in the skills and in the areas of entrepreneurship, management, and business development
- improved LGU (local government unit) capacity, particularly in the application of statistical data to knowledge-based decision for cultural industries development

## 2 C A NEW PERCEPTION OF CULTURE

71. Throughout the Asia-Pacific region, however, the cultural sphere increasingly represents a forum for the search for identity that is a real need for many of the region's people who experience the onslaught of globalization, social change and increasing economic insecurity among large groups of the populations, together with the often wildly different and contradictory norms and values presented through the mass of cultural goods and services that have become easily available – old and new, traditional and contemporary, global and local. This trend has created a markedly increased interest for cultural diversity and heritage and for the need to preserve and transmit cultural knowledge and skills throughout the region.

72. As in other regions of the world, the emergence of ideas as capital has also brought about a new perception of culture which fundamentally sees culture as an asset and a renewable resource that may grow with investment, rather than as an economic liability. The debate is linked to issues that have become important such as:

- cultural capital - what are cultural assets and what is their value? - how to capitalize on these assets (for example in terms of using cultural asset assessment as a basis for public funding support)? Identification of innovative funding schemes for heritage conservation to rehabilitate cultural memory and harness it for productivity; investment aimed at recycling/transferring cultural assets from public to private ownership and management;
- a wider notion of cultural policy objectives or priorities – culture as an economic strategy (cultural tourism, creative industry development) – or investment in culture for the overall well-being and productivity and harmony of society as for example expressed in the concept of Gross National Happiness and the concept of cultural diversity as an ultimate expression of human aspiration;
- integration or inclusion through the promotion of cultural diversity and increased participation in culture, particularly as a function of language –Investment aimed at strengthening the cultural sector in plural societies through indigenous language education and at cultural industries institutions that promote cultural diversity as a mechanism for national cohesiveness;
- arts education and training – arts education? For what purposes, for whom and how? how to stimulate innovation and growth in cultural industries through arts education?

73. There is a tendency for these strands of the debate to coalesce as these issues essentially are interdependent though this is not evident in the current approach to culture policy and funding. Hence the debate may look different in different contexts and situations and depending on what aspect of the sector is under discussion, e.g. fine arts and artists, heritage conservation, or creative industries. Overall there is, however, a feeling that traditional ways to support culture are perhaps no longer sufficient.

74. The proliferation of ICT has brought with it a gradual but fundamental change of the way culture is perceived by societies at large, especially in their role as consumers of cultural goods and services. The mobilization/involvement of larger segments of the society in cultural activities is associated with increased demands for support to an ever growing number of cultural institutions, projects, and individuals.

75. Funding for the culture sector has often had lower priority in national budgets and planning than other sectors, and this fundamental assessment of the sector's importance is still determining the culture budget in many countries. The developing countries face particular difficulties in responding to the demands for expanded funding for culture; demands, that may even be relatively more significant due to a weak culture infrastructure and the requirements of an emerging creative industries sector. Hence there is also a danger in the on-going commercialization of the arguments for culture as poorer societies may no longer find the

justification needed to support more traditional areas of cultural heritage and intangible culture that are in fact the core creative capital in a country.

76. To solve these issues the entire way of thinking public funding for culture may have to be reformed as part of a wider administrative reform. And to do so much more information about the activities and the sector is needed.

77. The issues are fundamentally linked to the adoption of a broader cultural paradigm introduced among other with the notions of knowledge-based economies, cultural diversity, intangible culture and creative or cultural capital. For the time being, however, the data and information needed for policy makers to be able to realize the objectives of the 2001 *Universal Declaration on Cultural Diversity* and the 2005 *UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions* are in general not available. Even the relatively few countries that have implemented full-scale creative sector studies struggle with the limitations imposed by inaccurate and incomparable data. Only with the operationalization of the 2009 [DRAFT] *UNESCO Framework for Culture Statistics* will such data become available. The implementation of national projects based on the pilot project model in a range of countries throughout the world is therefore an important step towards the implementation of the 2005 *UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions*.

## 2 D ASIA PACIFIC CULTURE STATISTICS

78. The national accounts typically include data related to a more traditional perception of cultural property, heritage, and fine arts. Most Asia Pacific countries collect some of this information on a regular basis.

79. For many years UNESCO published annual culture and communication statistics based on a survey questionnaire derived from the 1986 *Framework for Culture Statistics* through the offices of NSO in Member States. The indicators included information related to book production, film industry, newsprint, cultural paper, radio and television receivers. Due to the inadequacy of the data received UNESCO discontinued the publication of information first related to books and films, and later altogether though the information is still being collected by many countries. Importantly, however, this was one of very few sources of any international data pertaining to the culture sector which in itself is an argument for the urgent need to establish new standards and methodologies for data and information collection to allow Governments to direct and invest in the growing importance of the culture sector and enable for example the implementation of the *UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions*.<sup>xix</sup>

80. It is no surprise then that most Asia Pacific countries have collected data related to the culture sector through inventories and archives with emphasis on the recording of cultural property and heritage, book, film, and music production, and some performances - and that the need for accurate data relating to other aspects of the sector has not until now been a significant concern.

81. Within its regular programme UNESCO has supported Member States in the establishment of inventories of tangible and intangible cultural property and to maintain archives. These activities has generated a data base, albeit limited, on important components of culture and put in place some methodologies for the systematic collection of this information. Although this data is not typically collected by NSO the information is available, thus forming a starting point and resource for the diagnostic studies foreseen in Component A of the pilot project model.

82. Countries in the Asia Pacific region have also undertaken individual statistical surveys related to the social impact of culture. The NSB in Thailand, for example, has carried out a series of surveys starting in 1985, and repeated in 1995 and 2005 documenting religious as well as socio-cultural activities. This was in 2004 replaced by a time-use survey related to

participation in religious activities. Australia and New Zealand both are designing survey instruments that capture cultural diversity by incorporating 'ethnic cultural activities' as sub-domains of the survey instruments.

83. UNESCO is working with its Member States in undertaken a series of new surveys related to the culture sector which will shed new light on how new technologies are changing established patterns of cultural participation:

- A global survey on cinema tracking trends in the production and distribution of feature films;
- An international newspaper survey covering a wide range of issues related to print media publications and journalists;
- A new pilot survey on library statistics;
- A broadcast survey.

#### CULTURAL OR CREATIVE INDUSTRIES

84. With the growing proliferation and economic importance of creative or cultural industries a number of countries in the world have been seeking to gauge this potential more systematically, adapting different models to survey the impact and potential of the cultural or creative industries sector in specific localities or throughout a country. A list of such cultural industries sector studies compiled by British Council includes:

"Besides the United Kingdom, some of the most documented experiences are those of the United States, Canada, Australia, New Zealand, Singapore and Hong Kong, and the member countries of the European Union, Mercosur and the Andres Bello Accord.

Other less documented experiences, but which present interesting proposals, are those undertaken for the city of St. Petersburg and for Japan, Taiwan and Mexico. The majority of the experiences of these countries have national coverage.

Among the countries of the European Union, mapping studies of the creative sector have been made in Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Holland, Portugal, Spain and Sweden. In spite of not being as recognised as those of the United Kingdom, these experiences produce significant results concerning the economic dynamics that the sector generates in those countries.

...

As for Latin America, the countries of Mercosur and members of the Andres Bello Accord have been working on the subject. In those of Mercosur (Argentina, Brazil, Paraguay and Uruguay) studies have been made on the economic importance of industries and activities protected by copyright and related rights.

Since the end of the nineties, several of the member countries of the Andres Bello Accord have been developing a project called Economy and Culture. In the framework of this project, studies have been developed for Chile, Colombia, Ecuador, Peru and Venezuela.

Together with the United Kingdom, the United States is one of the countries where mappings for specific regions (states) have been most developed. The most publicized experiences are those for the states of California, Iowa, Missouri and for the region of New England, which includes the states of Connecticut, Maine, Massachusetts, New Hampshire and Rhode Island." <sup>xx</sup>

85. There have been other studies as well. WIPO has supported a series of national studies also in Asia; further studies are underway or about to be launched in Malaysia, the People's Republic of China, Brazil, the Philippines, Mexico, Colombia, Peru, Jamaica, Lebanon, Morocco, Bulgaria, Romania, Croatia, Russia and Ukraine. Proposals are just now being examined by

many more governments. These studies all reveal the key role that copyright plays in economic growth, regardless of a country's level of development. Based on the findings of these studies some comparisons may be made on the relative size of the economic contribution of the copyright-based-industries. Even so, the results should be considered with caution due to the uncertainties concerning the quality of the raw data and the lack of adequate statistical standards related to cultural activities. The 2003 WIPO *Guide on Surveying the Economic Contribution of Copyright-Based Industries* divides copyright related activities into four groups or categories:

- Core Copyright Industries:

Industries wholly engaged in creation, production and manufacturing, performance, broadcast, communication and exhibition, or distribution and sales of works and other protected subject matter

- Interdependent Copyright Industries:

Industries engaged in production, manufacture and sale of EQUIPMENT whose function is wholly or primarily to facilitate the creation, production or use of works and other protected subject matter

- Partial Copyright Industries:

Industries in which a portion of the activities is related to works and other protected subject matter

- Non-dedicated Support Industries:

Industries in which a portion of the activities is related to facilitating broadcast, communication, distribution or sales of works and other protected subject matter

86. While the core-copyright industries and the partial copyright industries are obviously part of the culture sector it is a very broad-based model that includes activities that many would not consider as culture-based.

87. UNESCO in 2005, published the report *International Flows of Cultural Goods and Services 1994-2003*, which for the first time allowed a distinction between core cultural goods and related cultural goods and therefore provided a more complex analysis of trade in cultural goods and services, also for the Asia Pacific region.

88. Whereas the majority of these studies have been undertaken by industrialized countries, developing countries are showing a growing interest in the concept of the creative economy. In Asia Pacific, however, the concept of creative or cultural industries is not generally known and these industries are almost certainly never considered as a sector per se. As reflected in the list, the debate has predominantly been of interest to the urban mega-poli where also the studies have been undertaken. There is therefore a need for a system that more broadly can tract these activities year after year in a practical and affordable manner, preferably as part of on-going national statistical activities and sector analyses – as outlined in the pilot project model discussed above.

**Table 1: EXAMPLES OF INTERNATIONAL CULTURAL/CREATIVE INDUSTRIES STUDIES**

REGION/ COUNTRY	YEAR	TITLE of STUDY	AUTHORS	Access
ASIA				
AUSTRALIA	2001 2006	<i>The Economic Contribution of Australia's Copyright Industries</i>	Allen Consulting Group	<a href="http://www.cultureandrecreation.gov.au/cics/">www.cultureandrecreation.gov.au/cics/</a>
CHINA - HONG KONG SAR	2003  2004  2006	<ul style="list-style-type: none"> <li>o <i>Baseline Study of Hong Kong's Creative Industries</i></li> <li>o <i>A Study on Hong Kong Creativity Index</i></li> <li>o <i>Study on the Relationship between the Pearl River Delta and Hong Kong's Creative Industries</i></li> </ul>	<ul style="list-style-type: none"> <li>o Centre for Cultural Policy Research, HKU</li> <li>o Centre for Cultural Policy Research, HKU</li> <li>o Centre for Cultural Policy Research, HKU</li> </ul>	<a href="http://www.tdctrade.com/econforum/tdc/tdc020902.htm">www.tdctrade.com/econforum/tdc/tdc020902.htm</a>
CHINA – SHANGHAI	2006  2005  2005	<ul style="list-style-type: none"> <li>o <i>2006 Shanghai Creative Industries Development Report</i></li> <li>o <i>Guide on the Key Points in the Development of Creative Industry in Shanghai</i></li> <li>o <i>A Study of the Concept on the Development of Creative Industry in Shanghai</i></li> </ul>	<ul style="list-style-type: none"> <li>o Shanghai Industry Center</li> <li>o Shanghai Economic Commission / Shanghai Statistics Bureau</li> <li>o ???</li> </ul>	
INDONESIA	2003	<i>The Contribution of Copyright and Related Rights Industries to the Indonesian Economy</i>	Institute for Economic and Social Research, University of Indonesia	
JAPAN	2005 2003	<ul style="list-style-type: none"> <li>o <i>Copyright White Paper 2001 and 2005</i></li> <li>o <i>The Status of Creative Industries in Japan and Policy Recommendations for Their Promotion</i></li> </ul>	<ul style="list-style-type: none"> <li>o Japan Copyright Institute</li> <li>o Mitsuhiro Yoshimoto</li> </ul>	(Translation not published –WIPO) <a href="http://www.designindaba.com/advocacy/downloads/japan.pdf">www.designindaba.com/advocacy/downloads/japan.pdf</a>
NEW ZEALAND	2006  2006  2002	<ul style="list-style-type: none"> <li>o <i>Creative Industries: Sector Engagement Strategy 2006-07</i></li> <li>o <i>Cultural Indicators for New Zealand</i></li> <li>o <i>Creative Industries in New Zealand</i></li> </ul>	<ul style="list-style-type: none"> <li>o NZ Trade and Enterprise Agency</li> <li>o Statistics New Zealand and the Ministry of Culture and Heritage</li> <li>o New Zealand Institute of Economic Research</li> </ul>	<a href="http://www.nzte.govt.nz/section/11756.aspx">www.nzte.govt.nz/section/11756.aspx</a>  <a href="http://www.nzte.govt.nz/common/files/Creative%2006.FH11.pdf">www.nzte.govt.nz/common/files/Creative%2006.FH11.pdf</a> <a href="http://www.stats.govt.nz/analytical-reports/cultural-indicators-2006.htm">www.stats.govt.nz/analytical-reports/cultural-indicators-2006.htm</a> <a href="http://www.nzte.govt.nz/common/files/nzie-r-mapping-ci.pdf">www.nzte.govt.nz/common/files/nzie-r-mapping-ci.pdf</a>
SINGAPORE	2002  2003  2006	<ul style="list-style-type: none"> <li>o <i>Creative Industries Development Strategy</i></li> <li>o <i>Economic Contributions of Singapore's Creative Industries</i></li> <li>o <i>The Economic Contribution of Copy-right-based Industries in Singapore. The 2004 Report</i></li> </ul> <p><i>in : National Studies on Assessing the Economic Contribution of the Copyright-Based Industries, WIPO, Creative Industries series 1, 2006</i></p>	<ul style="list-style-type: none"> <li>o ERC Services, Government of Singapore</li> <li>o Toh Mun Heng, Adrian Choo, Terence Ho</li> <li>o Singapore IP Academy, Leo Kah Mun, Chow Kit Boey, Lee Kee Beng, Ong Chin Huat, Loy Wee Loon</li> </ul>	<a href="http://unpan1.un.org/intradoc/groups/public/documents/APCITY/UNPAN011548.pdf">unpan1.un.org/intradoc/groups/public/documents/APCITY/UNPAN011548.pdf</a> <a href="http://www.mica.gov.sg/MTI%20Creative%20Industries.pdf">www.mica.gov.sg/MTI%20Creative%20Industries.pdf</a>  <a href="http://www.wipo.int/ebookshop">www.wipo.int/ebookshop</a>



<b>TURKEY</b>	2005	<i>Istanbul's Cultural Constellation and its European Prospects</i>	Dragan Klaić <b>Lab for Culture</b>	<a href="http://www.labforculture.org">www.labforculture.org</a>
AFRICA				
	2004	<i>Les Industries Culturelles Des Pays Du Sud : Enjeux Du Projet De Convention Internationale Sur La Diversité Culturelle</i>	<b>L'Agence Intergouvernementale de la Francophonie</b>	<a href="http://www.francophonie.org/diversiteculturelle/fichiers/aif_etude_almeida_alleman_2004.pdf">http://www.francophonie.org/diversiteculturelle/fichiers/aif_etude_almeida_alleman_2004.pdf</a>
<b>SOUTH AFRICA</b>	1998	<i>CREATIVE SOUTH AFRICA. A strategy for realizing the potential of the Cultural Industries</i>	Cultural Strategy Group <b>Department of Arts, Culture, Science and Technology</b>	<a href="http://www.info.gov.za/otherdocs/1998/ms01ba.pdf">www.info.gov.za/otherdocs/1998/ms01ba.pdf</a>
AMERICAS				
<b>CANADA</b>	2004	<ul style="list-style-type: none"> <li>o <i>The Economic Contribution of Copy-right-based Industries in Canada. The 2004 Report.</i></li> </ul> <p><i>In : National Studies on Assessing the Economic Contribution of the Copyright-Based Industries, WIPO, Creative Industries series 1, 2006</i></p>	<ul style="list-style-type: none"> <li>o Wall Communications Inc. <b>Canadian Heritage</b></li> </ul>	<a href="http://www.wipo.int/ebookshop">www.wipo.int/ebookshop</a>
	2006	<i>The Economic Impact of Canadian Copyright Industries – Sectoral Analysis</i>	CONNECTUS Consulting Inc. <b>Canadian Heritage</b>	<a href="http://www.canadianheritage.gc.ca/progs/ac-ca/progs/pda-cpb/pubs/copyright/EconomicImpactofCanadian_e.pdf">www.canadianheritage.gc.ca/progs/ac-ca/progs/pda-cpb/pubs/copyright/EconomicImpactofCanadian_e.pdf</a>
<b>USA</b>	2004	<ul style="list-style-type: none"> <li>o <i>The Economic Contribution of Copy-right-based Industries in USA. The 2004 Report.</i></li> </ul> <p><i>In : National Studies on Assessing the Economic Contribution of the Copyright-Based Industries, WIPO, Creative Industries series 1, 2006</i></p>	<ul style="list-style-type: none"> <li>o Stephen E. Siwek, Economists Incorporated <b>International Intellectual Property Alliance</b></li> </ul>	<a href="http://www.wipo.int/ebookshop">www.wipo.int/ebookshop</a>
	2006	<ul style="list-style-type: none"> <li>o <i>Copyright Industries in the U.S. Economy: The 2006 Report</i></li> </ul>	<ul style="list-style-type: none"> <li>o Stephen E. Siwek, Economists Incorporated <b>International Intellectual Property Alliance</b></li> </ul>	<a href="http://www.iipa.com/pdf/2006_siwek_full.pdf">www.iipa.com/pdf/2006_siwek_full.pdf</a>
<b>LATIN AMERICA</b>	2007	<i>Cultural Industries in Latin America and the Caribbean</i>	Francesco Lanzafame Alessandra Quartesan Monica Romis <b>Inter-American Development Bank</b>	<a href="http://www.iadb.org/NEWS/article_detail.cfm?artID=4058&amp;language=EN&amp;arttype=WS">http://www.iadb.org/NEWS/article_detail.cfm?artID=4058&amp;language=EN&amp;arttype=WS</a>
		<p><i>Estudio Sobre La Importancia Económica De Las Industrias Y Actividades Protegidas Por El Derecho De Autor Y Los Derechos Conexos En Los Países De Mercosur Y Chile</i></p> <p>(ARGENTINA, BRAZIL, PARAGUAY, URUGUAY)</p>	<p>ARGENTINA Daniel Chudnovsky, Andrés López Laura Abramovsky</p> <p>BRASIL Sérgio Salles Filho, Sergio M. Paulino de Carvalho, Aléxis Velásquez, Guilherme C. K. V. Machado, Simone Yamamura</p> <p>CHILE Belfor Portilla Rodríguez</p> <p>PARAGUAY Ramiro Rodríguez Alcalá</p> <p>URUGUAY Luis Stolovich, Graciela Lescano, Rita Pessano</p>	<a href="http://www.wipo.org/sme/es/documents/studies/mercosur_copyright.pdf">www.wipo.org/sme/es/documents/studies/mercosur_copyright.pdf</a>

<b>CARIBBEAN</b>	2007	<i>The Cultural Industries in CARICOM: Trade and Development Challenges</i>	Keith Nurse, Allison Demas, Jo-anne Tull, Bruce Paddington, Winston O'Young, Michael Gray, Halcyone Hoagland, Michele Reis <b>Caribbean Regional Negotiating Machinery</b>	<a href="http://www.crn.org/documents/cultural_industries/Cultural_Industries_Report_Final_Jan07.pdf">www.crn.org/documents/cultural_industries/Cultural_Industries_Report_Final_Jan07.pdf</a>
ARAB STATES				
	2004	<i>Creative Industries in Arab Countries (MOROCCO, TUNISIA, EGYPT, JORDAN, LEBANON)</i>	Najib Harabi	<a href="http://www.ideas.repec.org/p/pramprapa/4439.html">www.ideas.repec.org/p/pramprapa/4439.html</a>
EUROPE	Oct. 2006	<i>The Economy Of Culture In Europe</i>	<b>European Commission</b> (Directorate-Gen. Education & Culture)	<a href="http://ec.europa.eu/culture/eac/sources_info/studies/economy_en.html">http://ec.europa.eu/culture/eac/sources_info/studies/economy_en.html</a>
<i>Southeastern Europe</i>		<i>The Emerging Creative Industries in Southeastern Europe</i>	<b>CULTURELINK</b> Joint Publications Series No. 8	<a href="http://www.culturelink.org/publics/joint/cultid07/index.html">www.culturelink.org/publics/joint/cultid07/index.html</a>
<b>HUNGARY</b>	2007	<i>The Economic Contribution of Copyright-based Industries in Hungary. The 2005 Report.</i> <i>in : National Studies on Assessing the Economic Contribution of the Copyright-Based Industries, WIPO, Creative Industries Series 1, 2006</i>	Krisztina Penyigey Péter Munkácsi	<a href="http://www.wipo.int/ebookshop">www.wipo.int/ebookshop</a>
<b>LATVIA</b>	2005	<i>The Economic Contribution of Copyright-based Industries in Latvia. The 2000 Report.</i> <i>in : National Studies on Assessing the Economic Contribution of the Copyright-Based Industries, WIPO, Creative Industries Series 1, 2006</i>	Robert G. Picard Timo E. Toivonen Guntis Jekabsons <b>Ministry of Culture, Latvia</b>	<a href="http://www.wipo.int/ebookshop">www.wipo.int/ebookshop</a>

**NOTE:**

- o The Implementation of an overall sector study indicates a certain political interest in creative sector development. The list therefore primarily includes such studies; however, many of the reports below have been followed by more detailed sub-sector studies.
- o The studies in this list are almost all published in the main European languages and Chinese; While there may be studies undertaken in other national languages the debate on the creative economy has primarily been Anglophone and indeed the debate properly belongs to the international arena due to the determining influence of the global market on these industries. The publication of studies has therefore almost always been directed at an international audience interested in, for example, investing in a certain locality.

## 2 E DIMENSIONS OF CULTURE: DATA FOR POLICY DEVELOPMENT

Figure 3 What sort of evidence and should Government provide it?

Use	Type of evidence	Role for Gov data/evidence collection?
Company profit	Micro data. Cost, market, demand, prices, forecasts, innovation.	No
Gov Intervention	Industry importance (size and strategic importance). Industry structure and recent trends SWOT (including international). Economic rationale for intervention Policy options (linked to economic rationale and SWOT), consideration of costs and benefits.	Yes
Reduce Government failure	Develop an understanding of the impact of tax rates, regulation, competition policy and other issues e.g. IP affect growth. Assessment of why industry differs from other sectors & any economic rationale	Yes
Showcase UK success	Industry importance (size and strategic importance).	Potentially
Early warning system	Industry structure and recent trends SWOT (including international).	Potentially

As stated in the UK *Evidence Publication 2007*, there is a need for many kinds of information and data related to cultural and creative industries but it is only part of this information that is the direct concern of the Government

89. In South America, the concept of cultural industries is perhaps better known than in many other regions of the world. However, also in this region there are significant regional differences and while some countries have developed mechanisms to protect the cultural industries, others have not been as proactive, with the result that their cultural industries are declining. According to a brand-new study by the Inter-American Development Bank, the production and distribution of cultural industry products from South American countries are increasingly being controlled or even produced abroad by foreign interests, resulting in a loss of economic benefits for local industries as well as a loss of cultural authenticity. This development is most likely to be a problem in other regions as well but as the study also points out unless a more comprehensive approach, structured policies, and targeted interventions aimed at improving the conditions and prospects of these industries are put in place, the situation is not likely to change:

“Along with the growing recognition that cultural industries are significant in economic terms, is a conviction that these industries are also essential to maintaining the cultural identity of LAC countries. In this context and in response to the challenges posed by globalization, countries have stepped up their requests to donors for assistance in projects related to the sector. Therefore and with a view to meeting this need, the international financial and development institutions have now an important opportunity to leverage their considerable experience and capabilities to support new initiatives in this field.”<sup>xxi</sup>

90. The studies on creative or cultural industries undertaken throughout the world therefore also points to a growing divide between rich and poor economies, and a potential failure in poor economies to connect with fundamental changes in the global economy and trade that urgently needs to be addressed.

91. With the growing realization of culture as a potential area for economic policy the interest in tracking growth and the efficiency of policy interventions and investments have become more pronounced. Obviously, the validity of such efforts is totally dependant on

the availability of reliable and comparable data, which is a problem facing all countries. Some countries have, nevertheless, embarked on projects aimed at establishing benchmarking mechanisms.

92. Hong Kong SAR, China, and Singapore have been interested in generating more comprehensive information for the creative industries sector in the form of a 'Creativity Index'. Both countries have implemented projects aimed at developing indicators for the effectiveness of cultural policies and spending within the emerging, wider notion of culture, where the diversity of cultural heritage and knowledge forms a community's creative capital, and the cultural institutions and infrastructure the environment that underpin innovations and creativity in all sectors of the economy, as well as in the creative industries. The notion of a creativity index builds on this wider understanding of culture and aims to track the factors that affect the impact of culture on society both in terms of economic growth and social development.

93. In both cases, the process of developing the model has included the identification of indicators for cultural industries sector growth. However, the indicators differ in significant ways that have great implications for the kind of policy the two indices may support.

94. The Singaporean Creativity Index focuses on the concept of creative industries, especially in terms of arts, design, and media. Inspired by the IPR approach to creative industries and the ideas of writers like Richard Florida and John Howkins, Singapore essentially applies a typical economic model which operates with three 'capabilities' or drivers of creative industries: creative manpower, markets, and infra-structure.

95. To be able to gauge the strength of these three capabilities, proxy indicators are identified for each. The proxy indicators for these three capabilities are commonly used economic indicators as seen in the table below. Together these ratings then represent a measure of the conduciveness of the national environment to further development of the creative industries.

96. The findings are fed into an index model that essentially serves for benchmarking purposes, pinning Singapore's resources and output against comparable or competing economies as illustrated in below. Besides benchmarking the index also serves to provide policy makers information on the relative strength and weaknesses of the creative industries sector.

## Table SINGAPORE CREATIVITY INDEX: INDICATORS

Source: *Economic Contribution's of Singapore's Creative Industries*,  
Economics Division, Ministry of Trade and Industry, 2003

INDICATORS FOR CREATIVITY	PROXY INDICATORS/DEFINITION	DATA SOURCES
<b>1. CREATIVE MANPOWER</b>		
CM INDICATOR: Availability of Creative Manpower	- Social Diversity Average of 1-10 ratings of National Culture, Flexibility and Adaptability, Discrimination	World Competitiveness Yearbook 2002
CM INDICATOR: Quality of CM	- Size of Creative Class Percentage of workforce classified as professionals and associate professionals	Elaboration from ILO database
CM INDICATOR: Ability to attract CM	- Innovative Capability Average of 1-7 ratings of Value Chain Presence, Extent of Branding, Capacity for Innovation	Global Competitiveness Report
<b>2. MARKETS</b>		
M INDICATOR: Domestic consumer market	- Copyright Exports Percentage of GDP	Copyright reports (Siwek, Allen, DCMU)
M INDICATOR: Domestic industry demand	- GDP per capita in PPP in US dollars	World Competitiveness Yearbook 2002
M INDICATOR: Overseas market	- Value Added of Knowledge Intensive Industries Percentage of GDP attributable to Knowledge-Intensive industries	OECD Science, Technology and Industry Yearbook
<b>3. INFRASTRUCTURE</b>		
I INDICATOR: Institutional framework (Legal Framework and Press Freedom)	- Institutional Framework Average of 1-7 ratings of Efficiency of Legal Framework, IP Protection, Press Freedom	Global Competitiveness Report
I INDICATOR: Clustering Effect (size of the copyright industries)	- Size of Copyright Industries Percentage of GDP	Copyright reports (Siwek, Allen, DCMU)
I INDICATOR: Public Expenditure in the Arts	Public Expenditure in the Arts Percentage of GDP	Official Statistics

## BOX SINGAPORE'S COMPETITORS

- **Australia:**

CM 88  
M 73  
I 125

- **United States:**

CM 112  
M 186  
I 126

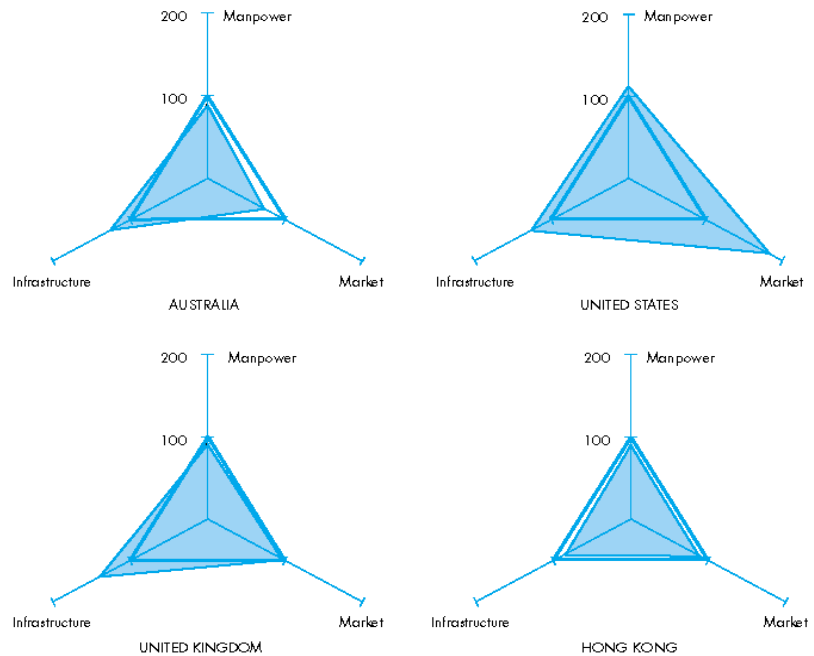
- **United Kingdom:**

CM 90  
M 98  
I 128

- **Hong Kong:**

CM 89  
M 89  
I 86

CM *creative manpower*  
M *markets*  
I *infrastructure*



<i>Tabulation of ratings</i>	<i>Manpower</i>	<i>Market</i>	<i>Infrastructure</i>	<i>Overall</i>
<i>Singapore</i>	<i>100</i>	<i>100</i>	<i>100</i>	<i>100</i>
<i>Australia</i>	<i>88</i>	<i>73</i>	<i>125</i>	<i>94</i>
<i>US</i>	<i>112</i>	<i>183</i>	<i>126</i>	<i>136</i>
<i>UK</i>	<i>90</i>	<i>98</i>	<i>138</i>	<i>106</i>
<i>Hong Kong</i>	<i>89</i>	<i>89</i>	<i>86</i>	<i>88</i>

'Singapore's capability rating is set to 100 and compared to the capabilities of another country (represented by the shaded area) in each of the radar diagrams. In terms of overall capabilities in all three dimensions, Singapore's position is comparable with Australia, and better than Hong Kong. This means that Singapore has some competitive advantage in developing its creative industries, although it is behind the leading economies of the UK and US. The US leads the other countries by a large margin, in line with its position as the creative capital of the world.

The benchmarking exercise is not comprehensive due to the inadequacy of data at both the national and international levels. Firstly, there are no suitable indicators for measuring the success of the education system in nurturing creativity as well as the level of emphasis placed on subjects such as arts, design, media. Secondly, the infrastructure rating does not cover private sector funding of creative sectors. This is likely to be more substantial in the US and UK than the other three countries, giving these two countries an even larger advantage.

Nonetheless, the relative magnitude of the rankings gives a good sense of the potential of an economy to develop its creative industries, and its relative strengths and weaknesses.'

Source: *Economic Contribution's of Singapore's Creative Industries*, Ministry of Trade and Industry, 2003

97. Following the publication of the mapping study *Baseline Study of Hong Kong's Creative Industries* in 2003, the Home Affairs Bureau, Hong Kong SAR, China, commissioned the Centre for Cultural Policy Research at Hong Kong University to develop the terms of reference and apply the data findings from the study to an index of how creativity contributes to social development and economic growth. *A Study on Hong Kong Creativity Index* was published in 2004; it describes a more ambitious analysis of the potential and impact of the creative economy than the primarily economic analysis found in the majority of studies.

98. Influenced by ideas of different and more sustainable development models that are becoming popular in Asia, the Hong Kong creativity index model emphasizes that creativity is not just a question of economic profit and growth but has far more wide-reaching potential and impact on society. Elaborating on the technology-dependent *3Ts model* (*talent, technology, and tolerance*) proposed by Richard Florida in his creative capital theory and used as a basis for the Singapore *Creativity Index*, the conceptual model described in *A Study on Hong Kong Creativity Index* outlines the building blocks for the index as follows:

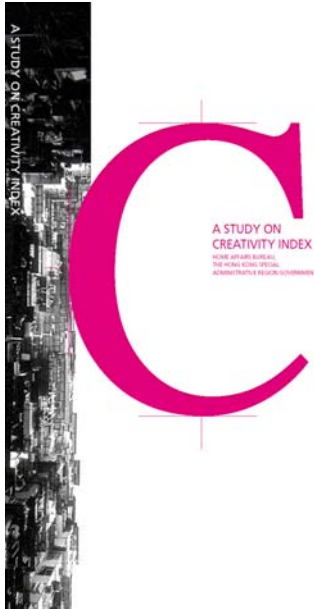
"The point of departure for building the Creativity Index starts from a simple idea that a creative act can be mapped by using and applying the conception of a 'cycle of creative activity'. The ability to create and make something new and valuable is an internal process of social actors. That means individual persons, private corporations, and agents in public sector could develop their own skills, knowledge and resources in and devote their time and commitment to different forms of creative activities. This forms our basic argument that creativity is a social process continuously shaped and constrained by the values, norms, practices and structures of '**Social Capital**', '**Cultural Capital**', as well as the development of '**Human Capital**'. While the ability to create is embedded in the contexts of three forms of capital, its articulation would be promoted by or constrained by the availability and accessibility of facilities, institutions, market and social enablers, or in short the '**Structural/Institutional Capital**'. The accumulated effects and interplay of these different forms of capital are the '**Outcomes of Creativity**' which could be measured in terms of economic outputs, incentive activities and any other forms of creative goods, services and achievements." <sup>xxii</sup>

99. Operating with a very large number of indicators, the Hong Kong index model is more complex than the Singapore model and it reflects for example legal issues such as press freedom and besides demand and supply issues also such notions as creative, cultural, and human capital as underlying parameters for competitiveness.

100. The emphasis on social capital in the Hong Kong Creativity Index is interesting because it is characteristic for almost all countries in Asia that any debate on the creative industries emphasizes the importance of culture – especially in terms of cultural heritage and traditional skills and knowledge as the source of social and economic development. This is a significant difference from the European debate which tends to emphasize innovation and individual expression as the core potential for creative industries development.

101. Even the mapping studies that are very influenced by European and Western models, like the excellent *Baseline Study On Hong Kong's Creative Industries*, reflect this perception: '...The rise of the creative sector concurrently underscores the deep-seated transformation of the economic domain from a manufacturing-based economy to a

consumption-based economy, by which **culture** is re-discovered as one of the most important resources for economic development.' It is perhaps because of this emphasis that the notion of 'cultural industries' seems to be the preferred concept in many countries of Asia.



102. In spite of these ambitious and interesting project initiatives both Singapore and Hong Kong SAR, China, like all other countries, struggle with the inaccurate and internationally incomparable data on the sector caused by the absence of standard definition and methodologies in this area.

103. In order to test the applicability of the *Creativity Index* model, Hong Kong SAR has approached other countries to involve them in these kinds of studies. The compilation of the index requires, however, quite a high level of disaggregated and detailed data to establish the 88 indicators that make up the spine of the index. Preferably there should also be access to time series data. For the time being very many countries, however, do not yet produce this kind of detailed data. Nevertheless, while both Singapore and Hong Kong represent very powerful economies the pilot project model (see 1D above) builds on these experiences to facilitate policy development and investment to realize the potential of cultural industries development also in developing countries.

104. The main indicators for public spending on culture and cultural industries development would obviously be information on total expenditure (public plus private funding) and public expenditure on different aspects of culture and cultural industries. Unfortunately, such information is not available and it might not be feasible to establish it. However, it is possible to identify the kind of indicators needed to inform the policy debates above, and to guide decision making by politicians and planners in support of creative or cultural industries sector development as a focus for broader cultural policies that contribute to economic and social development.

"As nations enter the Global Information Society, the greater cultural concern should be for forging the right environment (policy, legal, institutional, educational,



infrastructure, access, etc.) that contributes to this dynamism and not solely for the defence of cultural legacy or an industrial base. The challenge for every nation is not how to prescribe an environment of protection for a received body of art and tradition, but how to construct one of creative explosion and innovation in all areas of the arts and sciences .. Nations that fail to meet this challenge will simply become passive consumers of ideas emanating from societies that are in fact creatively dynamic and able to commercially exploit the new creative forms." <sup>xxiii</sup>

105. As the role of culture changes and merges with economic policy the usefulness of culture indicators will more and more depend on the extent to which they allow policy makers and planners to evaluate the effectiveness of the environment in which cultural and creative industries need to thrive. As indicated in both the Singapore and the Hong Kong Creativity Index models the effectiveness of the environment can be gauged by looking at the 'drivers' of cultural industries sector development, to which the indicators should be linked: social organization and values, human resources development, cultural asset management, technological development, and infrastructure (: legal framework, institutional framework, financial framework, physical infra-structure).

106. Ideally, statistical data related to the cultural industries would not only be a tool to assess the contribution of creativity to competitiveness but would also illustrate the interplay of various factors contributing to the growth of creativity and societal transformation, and provide clues to how creativity's positive effects on society could be sustained in terms of policy recommendations. By measuring the strength and development of the 'drivers' of cultural industries sector development, especially in terms of the policy environment, such data provide an important tool for policy and investment through the identification of strengths and weaknesses in the sector.

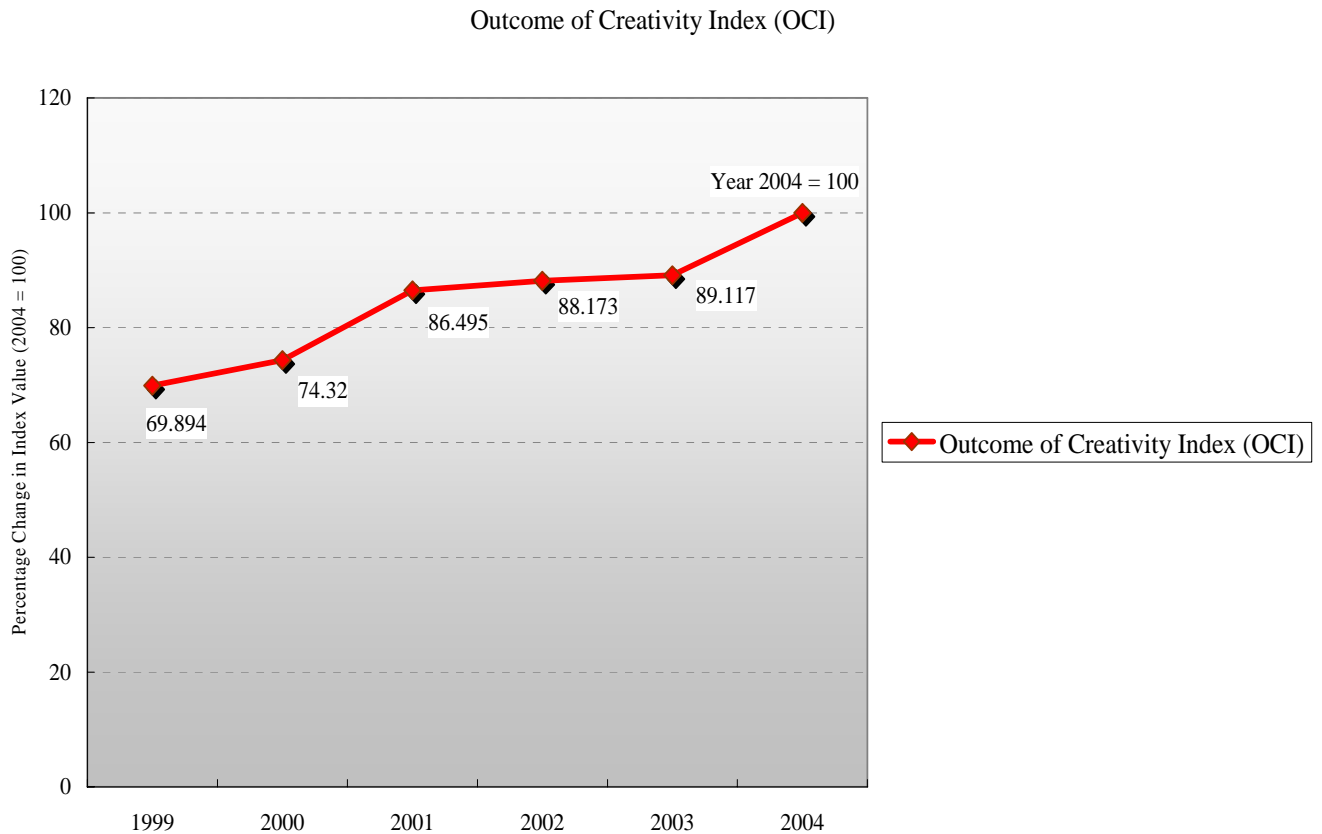
107. The new revised *2009 [DRAFT] UNESCO Framework for Culture Statistics* is designed to overcome the lack of accurate, comparable data on culture to inform and guide policy development and investment for the cultural industries sector. The result will be the emergence of culture-based activities as a strong resource for social and economic development.

108. To achieve this, the need for reliable statistical information of the type that implementation of national data projects based on the pilot project model will generate, is paramount.

BOX :

## HONG KONG SAR, CHINA: OUTCOME OF CREATIVITY

Source: *Study on Hong Kong Creativity Index*, the Home Affairs Bureau, Hong Kong SAR, 2004.



The main findings of the Creativity Index for Hong Kong SAR, China, show moderate growth for the index' three sub-indices while the economic contribution of the creative industries shows a more impressive growth over the period 1999-2004. Overall the Creativity Index for Hong Kong during the 5-year period shows a positive growth pattern from an index figure of 75.96 in 1999 to 100 in 2004 (as a basis for comparisons the values of 2004 are set as 100).

## Notes and references

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- i For more information on the Convention please refer to *Ten Keys to the Convention on the Protection and Promotion of the Diversity of Cultural Expressions*, UNESCO 2005 and *L'UNESCO et la Question de la Diversité Culturelle 1946-2007, Bilan et Stratégies* (internal document), UNESCO, CLT/CPD, 2007.
- ii While copyright has been a primary focus for IP in the creative industries, the complexity of the creative sector opens up room for also other IPR regimes such as industrial design and geographical indications that may have particular application in crafts and other subsectors with more collective ownership to the products.
- iii For information see [www.wipo.int/ip-development/en/creative\\_industry/economic\\_contribution.html](http://www.wipo.int/ip-development/en/creative_industry/economic_contribution.html) and the publications *Guide on Surveying the Economic Contribution of the Copyright-based Industries*, WIPO 2003 and *National Studies on Assessing the Economic Contribution of the Copyright-Based Industries*, Creative Industries series 1, WIPO, 2006 both available at [www.wipo.int/ebookshop](http://www.wipo.int/ebookshop) . Currently WIPO is working on a revised and updated version of the *Guide* .. incorporating experience from the national studies that have been undertaken so far.
- iv *Proceedings of the International Symposium on Culture Statistics Montréal, 21 to 23 October 2002*. UIS, 2003
- v *International Flows of Cultural Goods and Services, 1994-2003*, UNESCO/UIS 2005.
- vi For more information please refer to [www.uis.unesco.org](http://www.uis.unesco.org)
- vii *Cultural Indicators for New Zealand*. Statistics New Zealand and the Ministry of Culture and Heritage, August 2006.
- viii See the DCMS web-site: [http://www.culture.gov.uk/creative\\_industries](http://www.culture.gov.uk/creative_industries)
- ix For more information on this high-level regional consultation and for the text of the 'Jodhpur Consensus please refer to [www.unescobkk.org/culture/cultural\\_industries](http://www.unescobkk.org/culture/cultural_industries)
- x Important reports on the creative economy from different sources agree on the absence of reliable data and the need to establish standard definitions and data mechanisms as a means to direct investments and policy support. See for example *The Economy Of Culture In Europe*, a Study prepared for the European Commission (Directorate-General for Education and Culture), October 2006, *DCMS – The Creative Economy Programme, Evidence Publication 2006*, or Research Project *Cultural Spend and Infrastructure: A Comparative Study*, Museums, Libraries and Archives Council, Febr. 2006 – or for the Asia Pacific region the JODHPUR CONSENSUS referred to above.
- xi For more information please refer to - [unstats.un.org/unsd/sna1993/introduction.asp](http://unstats.un.org/unsd/sna1993/introduction.asp)
- xii See Research Project *Cultural Spend and Infrastructure: A Comparative Study*, Museums, Libraries and Archives Council, Febr. 2006
- xiii For more information see OECD Statistics Directorate - [http://www.oecd.org/document/41/0,3343,en\\_2649\\_34245\\_37151785\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/41/0,3343,en_2649_34245_37151785_1_1_1_1,00.html)
- xiv Developed for the Asia Pacific region, the model is global and could be applied in any country. For more information please see the publication *Statistics on Cultural Industries: Framework for the Elaboration of National Data Capacity Building Projects* - available online at [www.unescobkk.org/culture/cultural\\_industries](http://www.unescobkk.org/culture/cultural_industries)  
The data activities are only one of four project intervention areas of the inter-agency programme which aims at supporting cultural industries development as a pro-poor strategy for economic and social development:
- project intervention area 1: Sector analysis (the data project model) - the establishment of national systems for mapping cultural resources and the regular collection and analysis on data pertaining to the cultural industries. These activities are a first priority as such information is a pre-condition for evidence-based policy formulation and planning at any level;
  - project intervention area 2: Efficient policy formulation – case studies of best practices as they relate to the effectiveness of policy interventions and programming modalities;
  - project intervention area 3: Institutional capacity building and intellectual property protection
  - project intervention area 4: SME support and development
- Collectively these activities are referred to as the JODHPUR INITIATIVES.
- xv Subsequent to the Jodhpur Symposium convened by UNESCO in 2005, the seven member countries (Bangladesh, Bhutan, India, Myanmar, Sri Lanka, Thailand, and Nepal) of the BIMSTEC regional trade and technical cooperation agreement attended the First BIMSTEC Meeting of Cultural Ministers hosted by Bhutan in May 2006. The meeting adopted the BIMSTEC PARO INITIATIVE, which commits the member countries to cooperate in the promotion of cultural industries as a strategy for poverty reduction and community revitalization.

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- xvi See [www.unescobkk.org/culture/cultural\\_industries](http://www.unescobkk.org/culture/cultural_industries)
- xvii See for example *The Rise of the Creative Class* (2004) which was R. Florida's first national bestseller. The quote is from a recent article *How cities renew* in Monocle Magazine, Jul 1 2008, Canada. [www.creativeclass.com/richard\\_florida](http://www.creativeclass.com/richard_florida)
- xviii For more information on the BIMSTEC concept paper and the PARO INITIATIVE see [http://www.unescobkk.org/culture/cultural\\_industries](http://www.unescobkk.org/culture/cultural_industries)
- xix For more information please refer to <http://www.uis.unesco.org>
- xx *Guide to Producing Regional Mappings of the Creative Industries (p. 8)*, Ministry of Culture – Republic of Colombia (British Council), 2007. For references to individual studies please see the original document. <http://www.mincultura.gov.co/econtent/library/documents/docnewsno794documentno1146.doc>
- xxi *Cultural Industries in Latin America and the Caribbean* (introduction), Inter-American Development Bank, 2007.
- xxii *Source: A Study on Hong Kong Creativity Index, ( page 40, 1.2)*
- xxiii See Shalini Venturelli, *From the Information Economy to the Creative Economy*, Center for Arts and Culture 200?