We launch this January issue against the backdrop of the International Year of Creative Economy for Sustainable Development. The creative economy – powered by the cultural and creative industries – is worth some US$509 billion each year. But more than its economic value, the creative sector brings significant social and environmental weight to sustainable development. As the COVID-19 pandemic continues to rage, the cultural and creative industries are faced with enormous challenges the world over. Pre-existing inequalities continue to deepen, foreboding a real risk of devastating economic consequences for the creative sector.

The Cultural Policy Highlights section provides a snapshot of the latest policy measures at national and local level.

In the Cutting Edge section, we explore the creative economy in cultural policy, tracing its evolution in international development and how governments are leveraging its potential today. Yet to what extent has the momentum generated by the creative economy translated into concrete policy adaptation and progress?

The Regional Perspectives section covers the latest policy trends and developments, and features the regional and sub-regional organizations, as well as regional banks, that are shaping policy at regional level today.

The section Culture in the 2030 Agenda takes a look at how development gains from the cultural and creative industries are being approached by Member States in their Voluntary National Reviews (VNRs) to track progress on the SDGs.

See Find Out More for important updates from UNESCO.
This section showcases a selection of the latest developments in cultural public policy from UNESCO Member States. Whilst reactive measures to the impact of the COVID-19 pandemic on the cultural sector are expected to largely guide cultural public policies throughout 2021, there are positive signs that countries and cities are transitioning from recovery measures to longer term strategies to build resilience in their cultural sectors.

Ghana’s Parliament has passed into law the Creative Arts Bill following its approval by cabinet in August last. The bill provides a regulatory framework for the country’s creative economy, and foresees the establishment of the Creative Arts Fund to promote the growth of the sector.

The Ministry of Culture of Saudi Arabia has launched a study to analyse, evaluate and define a strategy for a national archive for cultural heritage. The study contributes to the broader efforts of Saudi Arabia to develop its cultural sector through its Vision 2030 reform plan.

In China, the Ministry of Education and the National Cultural Heritage Administration have released an education guide to better incorporate museum resources in formal and informal education settings. The guide builds on the benefits of museums in developing critical skills and enriching the learning experience.

In the United Kingdom, Creative Scotland has provided small grants through its Visual Artist and Craft Makers Awards to Scottish artists and craftspersons to advance their creative and professional development. The programme works in tandem with a range of local authorities and arts agencies across Scotland to support practitioners at all stages of their career to develop new work, skills or opportunities.

In Colombia, the Ministry of Culture has ratified the indigenous chapter of the “Ten-Year Plan for Native Languages”, which builds on dialogues with indigenous peoples in the country. The Ten-Year Plan emphasizes the recognition of linguistic diversity and guarantees the protection and revitalization of 65 of the country’s 69 indigenous languages.
In the city of Issia, Côte d’Ivoire, a new cultural and gastronomic space “Nadé”, meaning “home” in the local language Bété, has been inaugurated with the support of local authorities. With Ivorian culture and gastronomy at its centre, the space will play a key role in boosting the development of the city.

In the Republic of Tajikistan, the Ministry of Culture has announced plans to create a map of the country’s cultural assets to better protect them for future generations. This large-scale initiative will include charting the estimated 3,000 historical and cultural relics, six state complexes and cultural sites, as well as numerous museums in Tajikistan.

Panama has approved its first national General Law on Culture, with a focus on promoting sustainable development and cultural rights. The law acknowledges culture as an essential right for the development of individual and collective identities, while emphasizing the role of culture in peace and social cohesion, environmental sustainability, poverty eradication, reducing inequalities and economic growth.

In the Republic of Moldova, the National Bureau of Statistics has scaled up its cultural statistics system as part of focused efforts to ensure reliable and accurate data, responding to the data users’ needs and applying the latest methods and technologies.

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Creative New Zealand, as part of its Pacific Arts Strategy 2018-2023, has co-launched the Pacific Arts Legacy Project, the first-ever digital history of Pacific artists’ significant contributions to the arts of Aotearoa-New Zealand.

The Ministry of Culture and Tourism of Ethiopia has announced the establishment of the country’s first Language Research Authority to develop and administer language resources in the country. The move is in line with the country’s constitution on linguistic diversity that provides every ethnic group the right to protect and promote their respective languages.
In **Morocco**, the Ministry of Culture has boosted its investment in culture by allocating MAD 480 million (US$52.9 million) for the year 2021. The figure represents a 45% increase from 2020, which stood at MAD 330 million (US$36.3 million). The funding will support a range of urban cultural projects, including the creation and rehabilitation of cultural institutions, and the launch of a geographic information system (GIS) for built heritage.

With the cooperation of **Iceland**, **Norway** and the **Russian Federation**, the Northern Dimension Partnership on Culture (NDPC) has issued a policy brief on leveraging the Cultural and Creative Industries (CCIs) for well-being and health. The recommendations stem from an EU-funded study project and include: strengthening collaboration between the culture, social care and health sectors; developing stronger lines of referral from health and social care to community arts programmes; and supporting the inclusion of the arts and humanities within the training of healthcare professionals.

In **Mexico**, the Mexican Film Institute (Imcine) under the auspices of the Ministry of Culture has announced a funding call for the new Programme for the Promotion of Mexican Cinema (Focine). Guided by principles of inclusivity and diversity, the Focine places emphasis on supporting indigenous and Afro-Mexican filmmakers and new generations of filmmakers throughout the country.

In **Indonesia**, the Ministry of Culture and Education has announced six main culture programmes to be launched in 2021. The programmes include intangible and built cultural heritage, media, indigenous peoples, museums and the restitution of cultural property.

In **Australia**, the CCIs have received an injection of federal funding through the Restart Investment to Sustain and Expand (RISE) Fund, to reignite the sector and create new projects. The AUD $75 million (US$58 million) RISE programme is part of the Government’s AUD $250 million (US$193 million) Creative Economy Support Package to help restart activities such as festivals, concerts, tours and events, and boost job creation across Australia.
In Singapore, the National Arts Council and the private sector have jointly launched the Sustain the Arts (stART) Fund, an initiative that provides financial support to small arts organizations to help them sustain their practices in the long term. To date, the fund has raised nearly SGD 4 million ($US3.1 million) from donors and some 20 arts organizations have already received funds in the range of SGD 20,000 to SGD 50,000 ($US15,000 to $US38,000) to fund their programmes.

In Tunisia, the Ministry of Cultural Affairs has joined with the EU-funded programme Tfanen-Tunisie Créative to launch a pilot one-year specialized training course to boost the skills of cultural professionals. The master's level course is focused around three axes: heritage and culture, information and communication technology and soft skills. The initiative falls under the Support Programme for the Culture Sector in Tunisia (PACT), whose portfolio targets the improved policy and governance of the country’s cultural sector.

In Romania, the Ministry of Culture through the National Institute for Research and Cultural Training has created a registry of the cultural sector in Romania with a focus on the creative industries. The goal is to map and compile data on the creative sector in Romania - including public institutions, NGOs, individuals and SMEs - to ensure robust and evidence-based policy-making.

Barbados has received international assistance to safeguard its cultural property, as announced during the recent Committee for the Protection of Cultural Property in the Event of Armed Conflict. Funding of US$46,000 will support a 10-month project to digitize historical documents and develop a contingency plan to safeguard these documents.

Cambodia has launched a three-year economic diplomacy strategy (2021-2023) to strengthen international ties in culture, trade and investment. The strategy targets international trade, foreign direct investment, tourism, and cultural exchange, including the promotion of Cambodian gastronomy.

The Tanzania Library Services Board has announced plans to digitalize public libraries across the country. New e-library systems are set to be installed this year supported by IT training to improve access to culture, knowledge and skills among Tanzanians.
This year 2021 the creative economy steps into the spotlight amidst unprecedented disruption generated by the COVID-19 pandemic. The International Year of the Creative Economy for Sustainable Development – enshrined through a UN General Assembly Resolution originally supported by 27 countries across all regions – places a focus on culture’s contribution to the global economy and to sustainable development. At the same time, the cultural and creative industries (CCIs) at the heart of the creative economy have never been at such a crossroads. As the COVID-19 pandemic continues to devastate, wide-spread closures of borders, venues and physical distancing measures are impacting whole segments of the creative economy. Many people working in the CCIs have lost their jobs. Live performance and venue-based industries have been the hardest hit, impacting livelihoods, artist mobility, market access and artistic freedom, together with broader repercussions for the value chain of suppliers and service providers. The crafts sector, a critical employment provider for many countries, has experienced a massive downturn. The crisis has accelerated pre-existing trends, in particular digitalization, and has exposed the pre-existing inequalities and precarities of the creative economy in most countries around the world, including countries where public support schemes for the creative sector are in place.
The current crisis is bringing the social and economic weight of the creative economy to the attention of decision-makers, triggering countries to reform their policies. The scope of disruption to the creative sector, notably in terms of employment, comes as a wake-up call. Countries are urged to renew their economic models and strengthen public policy investment in a sector where global digital platforms now form monopolies that challenge the role of public policies. Indeed, the creative economy should be acknowledged as an economic engine – a recognition that is now clearly stated by world leaders, including those from some the world’s largest economies, as shown by the inclusion of culture in the most recent G20 for the first time in history. Yet, crucially, it must be strongly supported by coherent, effective and integrated public policies. There is still a long road ahead in terms of the adaptation of public policies.

The creative economy has grown to become one of the great powerhouses of our times. The value of the global market for creative goods more than doubled from US$208 billion in 2002 to US$509 billion in 2015. It is among the most rapidly growing sectors of the world economy, generating nearly 30 million jobs worldwide and employing more people aged 15–29 than any other sector. While the precise nature and scope of the CCIs can vary from one country to the next, they are recognized by Member States as a veritable engine for economic development and increasingly supported by international development partners.

Yet this political resolve to advance the creative economy and harness its economic power is not matched by the same level of public policy investment. Indeed, over the past 20 years, in the absence of in-depth reform of cultural policies to embrace the broad spectrum of the economic weight of the CCIs, public authorities have left the field open to market forces and the private sector. Beyond policy declarations on the importance of the creative sector, public policies remain fragmented overall, which echoes the complexity of a wide, multi-layered sector. Moreover, the contribution of the creative economy to sustainable development appears insufficiently acknowledged, as indicated by the limited references to the creative economy in the Voluntary National Reviews (VNRs) of Member States (see ‘Culture in the 2030 Agenda’ section). An ambitious, purposeful commitment is therefore needed to support the recovery of the sector and facilitate its contribution to a more sustainable future.
Global discussions on the creative economy found momentum in the 1990s, when globalization pressures spurred a mainly defensive approach. Within a global landscape marked by the rapid shift towards a globalized market economy, the increasing commodification of culture raised particular concerns. Multilateral agreements brokered as part of the General Agreement on Tariffs and Trade (GATT) and later the World Trade Organization (WTO) – frameworks aimed at regulating global trade – were seen as potentially detrimental to the specificity of the cultural and creative sector, involving both monetary and non-monetary aspects. A largely protectionist approach to culture and cultural diversity was a common feature of policy debates, which was seen as the most urgent and feasible response to the threats of globalization at that time. Countries sought to combat cultural homogenization by protecting culture, its values and diversity, as reflected in discussions on "cultural exceptions". This was subsequently expanded into a global consensus on the importance of cultural diversity, enshrined in the UNESCO Universal Declaration on Cultural Diversity (2001) ratified by all Member States. Building notably on the core concepts of the report of the World Commission on Culture and Development "Our Creative Diversity" (1996), the 2001 Declaration clearly reaffirms "the specificity of cultural goods and services which, as vectors of identity, values and meaning, must not be treated as mere commodities or consumer goods".

The past 20 years have witnessed a progressive shift in cultural policy discourse and understanding of the creative economy, from a defensive to a more inclusive approach. The evolution of the policy landscape towards a multipolar environment – at both the global and national levels – together with the gradual acceleration of the digital transformation have radically changed the parameters. The CCIs developed and gained political traction amidst a changing environment spurred on by the digital era. New technologies transformed how text, image and sound were being created, produced and circulated, further expanding the scope of CCIs. This shift has also been informed by a broader, inclusive and holistic approach to culture's role in development. Building on several United Nations resolutions on culture and development that explicitly recognized the linkages between culture and the three pillars of sustainable development, and the transversal inclusion of culture in the 2030 Agenda for Sustainable Development in 2015, an inclusive approach to the creative economy was gradually consolidated. However, this shift in public policy discussions remains to be fully translated into actual policy-making. A profound rethinking and reshaping of the public policy spectrum is required to fully encompass the specificity of the creative sector and its economic power.
This growing momentum on the creative economy took hold across the different regions in different ways, building on countries' specific approaches and priorities. As of the 1990s, the CCIs were gradually incorporated in national cultural policies. Australia’s cultural policy “Creative Nation” in 1994 explicitly packaged the CCIs as a source of financial growth for the national economy, while the UK’s cultural policy in 1997 promoted the creative industries as economic drivers for the country. In Asia, for instance, China launched a cultural industries strategy in 2001 for its Tenth Five-Year Plan, while in Singapore, priority was given to the development of a “creative society” through the arts, high-tech and research enterprises. Turning to Africa, the Nigerian film industry or “Nollywood” expanded during the digital revolution as camcorders replaced 35-millimetre film cameras and the film industry became the country’s second-largest employer. The wide interest in the crafts and performing arts sector in public policies in most regions of the world also testifies to the growing recognition of their importance for economic and social development.

Notwithstanding this broad recognition of the CCIs, public policies framing the creative economy remain largely fragmented. The CCIs tend to occupy an ambivalent position within public policy frameworks. Operating at the interface between culture, economics and technology, they can often be placed on the political backburner in cultural and economic policies. On the one hand, the cultural industries may not be considered an integrated sector of a country’s economy. On the other, the complex, multifaceted nature of the cultural industries – involving monetary and non-monetary aspects but also speaking to numerous policy areas including technology, education or tourism – cannot be comprehensively encompassed by cultural policies alone and must also to be incorporated across the public policy spectrum.
Supporting the cultural sectors and the creative economy as a way to diversify economic activities is a key issue. The media, museums, theatres, cinema, all these infrastructures have a positive impact on society because they allow economic development, the proliferation of ideas and innovation that lead to progress.

Youssou N’Dour
Senegalese singer, composer and producer

The creative economy is specifically addressed through two of UNESCO’s normative instruments, the Universal Declaration on Cultural Diversity (2001) and the Convention for the Protection and Promotion of the Diversity of Cultural Expressions (2005). The latter was the only international legal instrument to be adopted unanimously by the European Union. The 2005 Convention’s four core pillars have key implications for the CCIs and how they relate to different components of the cultural ecosystem, society and the economy: (i) governance; (ii) flow of cultural goods and services, and artist mobility; (iii) sustainable development; and (iv) human rights and fundamental freedoms. With both a cultural and trade component, the creative economy has a close link with the clause on preferential treatment addressed in the 2005 Convention. It states that developed countries should give preferential treatment to artists and other cultural professionals and practitioners, as well as cultural goods and services from developing countries. Under the UNESCO-Aschberg programme for artists and professionals, a new programme is planned to support preferential treatment and artistic freedom for the emergence of robust creative sectors in the Global South. The UNESCO-Bangladesh Bangabandhu Sheikh Mujibur Rahman International Prize for the Creative Economy established in 2020 will award US$50,000 on a biennial basis to support youth entrepreneurship in the cultural and creative industries. The inaugural awards ceremony is planned to take place at this year’s 41st session of the UNESCO General Conference. The Convention’s Conference of Parties also points to the relevance of preferential treatment as one of the guiding principles for the digital environment. Under the umbrella of the 2005 Convention, the multi-donor International Fund for Cultural Diversity (IFCD) works to make long-lasting impact on the ground, and since 2010 has funded 105 projects in 54 developing and least developed countries, totalling some US$7.5 million. At present, certain domains of the CCIs, such as crafts, are less visible than others in the scope of the Convention’s work. Regional studies on cultural policies and sustainable development, notably in the Asia region, have shown that the creative economy can be a two-tier-economy. On the one hand, it can comprise fully-fledged, globalized cultural industries that are strongly connected with digitization and, on the other, more locally-anchored, tradition-based cultural industries, such as crafts, which are heavily enshrined in the informal economy and local communities.
The Convention for the Safeguarding of the Intangible Cultural Heritage (2003) also covers areas that are key components of the creative economy. While it does not encompass the creative economy as a core concept, intangible cultural heritage includes practices that fall within the scope of the creative economy, notably crafts and the performing arts. Although economic development is not an explicit objective for the safeguarding of intangible cultural heritage, which focuses on transmission, a growing number of intangible cultural practices bear an impact on economic development. The economic dimension of intangible heritage has been enhanced, along with its social and environmental dimensions, as part of efforts to promote more sustainable ways of living. In this spirit, a chapter dedicated to sustainable development was introduced into the 2003 Convention’s Operational Directives in 2016. In view of this growing trend, the Evaluation Body of the Convention recommended in 2019 to formulate guidance for States Parties to balance economic development and safeguarding measures, thus to harness its potential to benefit heritage bearers and local communities and to avoid over-commercialization. UNESCO’s new tool Dive into living heritage and sustainable development vividly captures the interconnectedness of elements inscribed on the lists of the 2003 Convention with the 17 SDGs, which shows that more than half of all inscribed elements contribute to decent work and economic growth. In the area of handicrafts, for example, Cyprus has implemented an economic model whereby profits derived from the trade of lace have been reinvested into the community to further develop the local culture sector, through the creation and maintenance of cultural associations, a theatrical society, a choir and a museum.

The creative economy also increasingly intersects with cultural heritage conservation, particularly in urban contexts. The UNESCO Recommendation on the Historic Urban Landscape (2011) - which this year celebrates its tenth anniversary - also encompasses the creative economy within a holistic approach to urban heritage and urban regeneration. The development of creative hubs often opens up pathways for the rehabilitation, maintenance and valorization of historic assets. It can also offer new possibilities for adaptive reuse of the historic building stock, and new business models to fund heritage conservation.
Echoing this strategy, the city of Bologna (Italy), a UNESCO Creative City of Music and a World Heritage site, launched in 2010 the mechanism IncrediBol! at the city level, which has been further expanded in the Emilia Romagna Region. By providing affordable business premises in dilapidated historic areas, the municipality boosts young creative start-ups in the city, while also supporting the rehabilitation and valorization of its built heritage. The creative economy is also a growing component of the cultural tourism offer, along with cultural heritage, crafts and museums. These interactions between the creative economy and other cultural domains, notably heritage and tourism, call for a comprehensive approach to the creative economy and the cultural ecosystems as a whole.

The creative economy has captured the interest of several international organizations, which has strengthened its various dimensions and global reach. Given the broad remit of the creative economy, a number of United Nations entities have worked to advance the contribution of the creative economy to development in different and complementary ways, as well as to regulate the market. As the lead UN entity for culture, UNESCO supports the emergence of the creative economy for the economic and social well-being of Member States and serves as a laboratory of ideas for policy analysis. The United Nations Conference on Trade and Development (UNCTAD), United Nations Development Programme (UNDP), International Labour Organization (ILO) and World Intellectual Property Organization (WIPO) are also key actors that pool their expertise together to advance the creative economy at international and national levels. Other organizations, such as the World Bank, International Monetary Fund (IMF), Organisation for Economic Co-operation and Development (OECD), Council of Europe as well as regional bodies, including the European Union and the Interamerican Development Bank, are also active players in the creative economy. UNCTAD, for instance, established a programme dedicated to the creative economy in 2004, and keeps data on creative goods and services from a trade perspective.

The creative economy has also gained significant traction as a lever for local sustainable development, particularly over the past two decades. The growth of creative clusters in urban areas – bringing together small- and medium-sized enterprises (SMSs) around specialized knowledge and skills – was particularly instrumental in raising interest to harness the creative resources and potential of cities for urban development, and to attract and retain talent.
The creation of the UNESCO Creative Cities Network in 2004, in the run up to the adoption of the 2005 Convention, testified to the critical importance of cities in harnessing this potential and the instrumental role of city level stakeholders. The 246 UNESCO Creative Cities have been particularly proactive in exploring and demonstrating the potential of the creative economy for sustainable development through various aspects of the public policy agenda, including economic growth, education and skills, social inclusion, urban regeneration, ecological transition, and social innovation and citizenship, as reflected in the publication "Voices of the City". Faced with the impact of the pandemic on the creative sector, UNESCO Creative Cities have also demonstrated their capacity to adapt and innovate to support creative professionals and businesses coping with the crisis, to act as "connectors" and foster social inclusion and cities’ resilience. In addition, they have also helped “localize” the creative economy, building on local skills and digital opportunities – a wealth of experience which is reflected in the publication "UNESCO Creative Cities’ response to COVID-19". Among the initiatives brokered by Creative Cities, the city of Querétaro (Mexico), a UNESCO Creative City of Design, used its digital programme during lockdown to mobilize stakeholders and partners from creative sectors. Ensuring the revival of local crafts through targeted vocational training for women was at the centre of efforts by the city of Sharjah (United Arab Emirates), Creative City of Crafts and Folk Art, to ensure the sustainability of their craft in the context of COVID-19.

This growing importance of cities and local stakeholders – which has been further accelerated by the pandemic – is reshaping the policy landscape of the creative economy. This overall trend is found in all regions of the world, although at different levels and under different scenarios, as reported notably in UNESCO’s global report "Culture: Urban Future" and underlined in the publication "Culture and Public Policy for Sustainable Development". The current health crisis has raised particular challenges for local authorities as State support has often diminished, thus urging local authorities to innovate economic models to support the creative economy, also further strengthening their instrumental role as cultural policymakers.
UNESCO has worked with a number of international and regional partners to develop guidance and policy instruments on the creative economy at the local level. Over the past few years UNESCO and the World Bank, in particular, have been working together to enhance urban life through culture in a range of actions, including city reconstruction, recovery and, more recently, the creative economy. This partnership pools the expertise of both organizations to offer operational guidance to local authorities on how to harness creativity, intangible cultural heritage and the CCIs for long-term economic growth and well-being, notably through a “City, Culture and Creativity” Framework.

The benefits of the cultural and creative industries have extended to national level, where countries are harnessing their potential through targeted policies. Colombia has seen the value of the cultural and creative industries grow from US$6.2 billion in 2010 to US$8.2 billion in 2017, presenting an average annual growth of 5.5%. The country’s “Orange Economy” policy launched in 2018 aims to stimulate private sector investment in the cultural and creative industries ranging from arts, crafts, festivals, and heritage to music, publishing, and fashion. This policy was reaffirmed by Colombia’s engagement in the organization of the Global Forum on Arts, Culture, Creativity, and Technology (G-FACCT) in November 2020, intended to draw up new commitments to promote culture and the Orange Economy as an engine for development. The Forum brought together 290 experts from 22 countries, with 1.5 million online participants from 83 countries in over 100 conferences and panels. The Forum also included a national mentoring programme called the G-FACCT Leadership Scholars to scale up the “Orange Economy” policy throughout the country; and dedicated knowledge exchange spaces to inform the formulation of public policies for CCIs engaging the Andean Community (CAN), the Inter-American Committee on Culture of the OAS (CIC), the IDB, CERLALC, SEGIB, Mercosur Cultural, Confederation of Asia Pacific Chambers of Commerce and Industry (CACCI), the Pacific Alliance, and United Nations entities, of which UNESCO. Similarly, Indonesia has placed creativity at the heart of its public policy. It enacted a National Master Plan for Creative Economic Development to place the creative economy front and centre in driving forward the country’s economic growth across 12 policy areas, including urban development, heritage, infrastructure, financing, and intellectual property rights and regulatory measures for the CCIs, among others.
The creative economy today: the state of play

Digitalization has been a gamechanger for the creative economy, impacting the entire creative value chain and changing the way we communicate, create and work. The digital age has also led to a more complex ecosystem with new large tech players, such as Google, Netflix and Amazon, entering the market. Over the past year, people have tuned into more streaming services than ever before, while the global film industry recorded a loss of US$7 billion in revenues. In the first quarter of 2020, the subscription video on demand (SVoD) service Netflix reported a 23% increase while the Swedish music streaming platform Spotify reported a 31% increase in new subscribers. Museums, exhibitions, concerts and theatre have been offered online. Festivals, which have been deeply impacted by the lockdowns and physical distancing, have also created hybrid alternatives for people to enjoy culture. The 2020 Amman International Film Festival supplemented online screenings with an innovative drive-in outdoor screening venue. DGTL Amsterdam shifted online and was marketed as “the world’s biggest living room festival”, streaming 28 acts. In Jamaica, this year’s edition of Reggae Month will also be celebrated online, while the 36th Jazz Plaza Festival will provide a music programme streamed from Cuba. The Palestinian Ministry of Culture has also led a survey among some 300 cultural organizations to establish an alternative culture strategy integrating “E-Culture” technology and virtual platforms in the event of a future crisis.

Challenges are particularly prominent for women in the digital creative industries, as they often have less access to training programmes and professional networks. Addressing gender inequalities in the digital creative industries was the focus of the UNESCO Sabrina Ho initiative, which supported four projects to boost the technical and entrepreneurial skills of young women in Mexico, Palestine, Senegal and Tajikistan. In Africa, initiatives like the HEVA Fund programme launched in 2019 are nurturing entrepreneurship skills in the digital creative field to promote women-owned and women-led creative businesses. UNESCO has built on its long-standing cooperation with the Government of West Bengal in India to boost livelihood opportunities for craftspeople and folk artists in rural West Bengal. The project has a dimension of entrepreneurship, which is already showing dividends for women’s empowerment and youth. In Mexico, women are benefiting from the latest edition of Mujer Exporta MX, an initiative of the Mexican Government, which equips women with the necessary tools for their development and expansion into other markets, and facilitates access to financing and business networks.

“We need to build a holistic approach to the digital cultural economy.”

H. Exc. Ms Noura Al Kaabi
Minister Of Culture and Knowledge Development
United Arab Emirates
New challenges associated with digitalization have emerged for Member States with regards to privacy, data control and intellectual property rights, thereby raising questions relating to governance in a context without borders and regulations. The safeguarding of online linguistic and cultural diversity is also of increasing concern. Some of these developments have also led to market imbalances, the dominance of online platforms, and the use of creative content without proper remuneration. Policy and regulatory frameworks have struggled to keep up with the rapid pace of these transformations. The European Union has been active in establishing guidelines and regulatory frameworks for digitalization, including a directive on copyright in the digital single market, which was adopted by the European Parliament in 2019. The European Union also requires that by 2021 that all its Member States enforce that each on-demand service contains at least 30% European content. UNESCO’s Operational Guidelines on the Implementation of the Convention in the Digital Environment in June 2017 provide a set of ethical standards and principles to address the impact on creators, the cultural and creative industries and freedom of artistic expression. States Parties to the 2005 Convention have subsequently produced national roadmaps on digital adaptation. For instance, Turkey’s development plan for the 2019-2023 period includes the development of support programmes for the CCIs in the area of copyright and related rights in the digital environment. In Germany, a tax on video-on-demand is then redistributed and used for national productions, thus helping to ensure diversity in the availability of local films. Indeed, the crisis catalyzed a 33% surge in global film and TV piracy following lockdown measures. In May 2020, WIPO launched an online policy tracker that provides updated information on measures adopted by countries and organizations in response to the pandemic.
The creative economy has a unique structure, often relying on networks of small- and medium-sized enterprises, freelance and gig workers. This archipelago structure, often combined with various levels of informality also means that the CCIs often sit outside the purview of government support schemes. State initiatives may also be ill-suited to the specific structure and operation of the CCIs. Self-employment accounts for almost half of all cultural employment in the Netherlands and Italy, and these workers may collaborate across a number of CCIs or associated industries, which is the case for 53% of individual professionals and companies working in the CCIs in Europe. In Latin America, the CCIs are responsible for 2.6 million jobs. A recent joint survey carried out in 10 Latin American countries by MERCOSUR, UNESCO, IDB, SEGIB and OEI also revealed that the most affected workers in the CCIs in this region are freelancers and those working in informal conditions. As highlighted last November in Issue 3 of The Tracker, these workers are at particular risk. The crisis has brought into stark relief the pre-existing fragility of the status faced by some of the key players of the cultural and creative industries, particularly artists and cultural professionals.

Lockdown measures may have long-lasting impacts on both the creation and production of work. The crisis has not only highlighted the value of the CCIs in societies today, but also the need to ensure their resilience in the face of future crises. Made up of mainly SMEs, informal and freelance workers, the CCIs are often at the margins of public support schemes, which can be ill-suited to their specific structure. Workers in these fields are often in precarious and vulnerable situations. It has taken a pandemic to show the extent of this issue. The particularly heavy toll on the live performance and venue-based industries has impacted the mobility of artists, market access and artistic freedom, together with broader repercussions for the value chain of suppliers and service providers. The current global shutdown of the live and public performance has resulted in a 30% drop in royalties collected for authors worldwide. Talent drain is particularly damaging for cultural diversity, as artists and performers are compelled to leave their industries to make a living. This is also echoed in the museum sector, where 27% of freelance professionals say they may need to change careers as a direct consequence of the crisis.
As reflected by the impact of the current pandemic, public policy schemes pertaining to the CCIs have proven insufficient or ill-adapted. The wide scope of the creative economy can also mean that it falls under the authority of more than one ministry, including culture, economy and commerce, innovation or tourism. This can cause fragmentation and delays in programme implementation. The CCIs continue to be impacted by the pandemic, however, they are often a low priority in government support schemes for COVID-19. In April 2020, UNESCO launched its *ResiliArt movement* for artists and cultural professionals, and convened a meeting of 130 Ministers of Culture on the impact of COVID-19 on cultural and creative industries and sectors. Governments have introduced support schemes to help the cultural sector stay afloat during this time. These schemes have, however, often targeted cultural institutions and their salaried staff, but not SMEs or the freelance workforce. Malaysia’s Cultural Economy Development Agency announced a recovery package Create Now Funding Programme to relieve artists and cultural workers during this period through grants up to MYR 1,500 (US$370) per individual, and MYR3,500 (US$865) per collective or organization. In Singapore, the National Arts Council (NAC) launched a SGD 55 million *Arts and Culture Resilience Package*, including a grant of up to SGD 20,000 (US$20,000) for digitalization projects, among other measures such as a three-month corporate and personal income tax deference. Civil society has contributed greatly to supporting the industry during the ongoing pandemic. The private sector has been able to respond quickly and was behind many of the first responses.
Insufficient investment in cultural data production, collection and analysis across the policy spectrum has also significantly hampered the creative economy. The understanding of the CCIs can vary from one country to the next, which makes it difficult to find common ground and standardization across countries. The complex nature of the CCIs also makes it difficult to capture the full extent of their contribution to development. Similarly, the CCIs have been hampered by the fragmentation of cultural data and insufficiency of universally understood data. Over the past decade UNESCO has worked towards developing a coherent system to effectively measure and monitor culture’s contribution to sustainable development. UNESCO’s Culture for Development Indicators (CDIS) established a set of indicators structured around seven policy dimensions to be implemented at national level. More recently, UNESCO worked with the UNESCO Institute of Statistics and several international organizations and experts to develop the Culture|2030 Indicators, a tool launched in 2019 to measure culture’s contribution to the SDGs at national and local level, both as a sector of activity and transversally across other sectors. This methodology provides notably a set of 22 indicators to evaluate the contribution of culture to prosperity and livelihoods, including various variables such as culture in GDP, cultural employment and businesses, culture-related household expenditure, trade in cultural goods, and services or public finance for culture.
Steering the creative agenda

Public policy engagement needs to be proactively strengthened and reshaped, to provide comprehensive, sustained and effective support to the creative economy. The scale of impact on the CCIs by the worldwide pandemic is a clear testament to the extent of bold action required. Addressing the current fragmentation of the policy mechanisms pertaining to the creative economy is of paramount importance to reaffirm the leading role of public authorities, at both the national and local levels, in harnessing the power of the creative economy for sustainable development. Providing an enabling environment for creative ecosystems to thrive, and allowing the creative economy to be more resilient and sustainable in the face of future crises, will require a broad reform of policy mechanisms, which should not only target cultural policy but also other critical policy areas including trade, planning and finance. Comprehensive policy mechanism should be established to facilitate inter-ministerial cooperation, thus allowing to develop a comprehensive approach to the creative economy. In view of the expanding monopoly of global cultural platforms that jeopardize the world’s cultural diversity, this strong-willed, comprehensive policy engagement is a critical step towards the much needed regulation of the cultural sector, notably in the digital environment. This comprehensive approach will also help to ensure more robust integration of the creative economy in country level sustainable development strategies.

Public policies need to factor in, in particular, the nature and structure of the creative economy and its workforce, notably as part of the COVID-19 response. Strengthening the status of artists, craftspeople and cultural professionals as a whole is an urgent priority, and policies should be adapted to the specificities of these industries. In this regard, "Culture in Crisis: Policy guide for a resilient creative sector" published by UNESCO in October 2020 provides an overview of possible policy measures to support cultural professionals or operators in the public, private and non-profit sectors. This also includes strengthening the competitiveness of the CCIs to address the impact of the pandemic and lay the foundation for a more resilient sector. Lessons learnt from projects conducted by UNESCO Field Offices in the field of the creative economy, including crafts, can also provide further guidance on the specific needs of the creative economy and possible support schemes.
Cultural policies should also more consistently encompass the challenges and opportunities of the digital transformation for the creative sector, further exacerbated by the COVID-19 pandemic. Countries are challenged to expand access to cultural content, while promoting its diversity and adapting to a broad range of audiences. Allowing all segments of societies to benefit from digital opportunities, notably by investing in capacity-building and the development of new skills, will be critical in increasingly multicultural societies. In the face of the persisting digital divide, investing in infrastructure and knowledge will be equally essential to facilitate more equitable access to culture - an endeavor that also requires wider support from regional and international partners. Finally, the regulation of global cultural platforms is a critical challenge requiring clear policy dialogue, including at the intergovernmental level. Strengthening online cultural diversity, better protecting copyright and cultural professionals’ livelihoods, and supporting countries to invest in the digital realm and develop needs and context-based solutions, are the cornerstones of this global reflection. The forthcoming meeting of the ministers of culture at the G20 Summit, hosted by Italy in June 2021, will notably address this pressing issue.

This wider policy engagement towards the creative economy should also be matched by the adaptation of policy instruments, including funding and operational schemes. In most countries around the world, public funding towards the creative sector does not rise to the level of ambition formulated by policymakers, nor to the scope of economic and social benefits generated by the creative sector. Ensuring sustained and reliable public funding schemes towards the creative sector – including through international or public-private partnerships or by improving the sustainability of existing economic models – is essential to demonstrate and further anchor public policy engagement, and to ensure the resilience of the sector as a major contributor to more sustainable societies and economies. A robust alliance between public authorities, civil society and the private sector is also needed. More sustained, active dialogue between policymakers and the civil society for policy design and implementation will be particularly instrumental, echoing the principles of the 2005 Convention and building on the lessons learnt from the Resiliart movement, to allow more fluid and reactive policy-making. Innovation produced at the local level is also likely to further inform policy-making at the national level, feeding notably the identification of needs or the elaboration of public support schemes.
Expanding global and national data-related programmes on the CCIs is equally critical to inform public policymaking and balance the growing hold of global platforms on cultural data. Countries are urged to further invest in data collection, production and analysis on the social and economic outputs of the creative sector both at the international, national and local levels. The current roll-out of the UNESCO Culture|2030 Indicators, the ongoing survey launched by UIS on the prioritization of global cultural indicators to support SDG monitoring, as well as data-related efforts brokered by other international or regional bodies will support Member States’ efforts in that endeavor. Data collected and produced by civil society organizations could also be more systematically valorized as part of public policies. A proactive, comprehensive approach, building on both globally comparable data and a wide range of quantitative and qualitative data will be instrumental to provide a more accurate picture of the creative economy, both regarding its economic weight and its contribution to sustainable development.

Looking ahead, a renewed global partnership is called upon to better support the creative economy and harness its contribution to sustainable development. COVID-19 acted as an accelerator to foster wider recognition of the economic weight of the cultural sector, as well as to propel and strategize partnerships towards the recovery of the cultural sector, particularly with regional partners and development banks. As a result, a growing number of international and regional partners, including financial institutions, have expressed renewed interest in supporting the creative economy as a unique competitive engine, a driver for recovery and a core component of sustainability strategies. The online meeting with regional organizations and development banks organized by UNESCO in April 2020, as well as the strategic dialogue between UNESCO and a number of regional intergovernmental organizations and development banks conducted in recent months, will provide further impetus in this global dynamic. The International Year of Creative Economy for Sustainable Development will also offer a platform to foster synergies and alliances between UNESCO and other agencies involved at various levels in supporting the creative economy, notably UNCTAD, the World Bank and WIPO, building on UNESCO’s unique mandate on culture within the UN system – thus strengthening the coherence and efficiency of UN-wide support to the creative economy.
January kicked off the African Union’s Year of the Arts, Culture and Heritage, in recognition of the crucial role of the cultural and creative industries in achieving the development objectives of Agenda 2063. Africa is endowed with a rich and diverse heritage and a dynamic arts scene. However, the growth potential of the culture sector is hampered by industry fragmentation, irregularity, and a lack of access to resources, technology and global markets. During the Year of the Arts, Culture and Heritage, the rich diversity of African culture will take centre stage in a range of activities spanning cultural heritage, the arts, languages, the restitution of cultural property, and the establishment of the Great Museum of Africa. The Year will also be an occasion to scale up initiatives and projects for peace and sustainable development throughout the continent to promote pan-African unity, self-determination, freedom, progress and collective prosperity. UNESCO is committed to supporting Africa in the pursuit of these goals as it has done over the past 20 years by conferring “Global Priority” status to Africa across the Organization’s programmes.

“When women are supported, they deliver. When you empower women, everything changes. When women win, Africa wins.”
Akinwumi A. Adesina
President, African Development Bank

The African Development Bank Board approved a new Gender Strategy for 2021-2025 “Investing in Africa’s women to accelerate inclusive growth”. The strategy aims to overcome obstacles to women’s inclusive economic and social development in Africa through enlarging their access to finance and markets, jobs and skills development, and social services. The Africa region has the highest percentage of women entrepreneurs in the world, yet gender inequality in sub-Saharan Africa alone costs the labour market US$95 million each year. The current COVID-19 pandemic has forced 80% of women-owned small and medium enterprises to temporarily or permanently shut down, as reported in a recent study by the African Development Bank, UN Women and Impact Her. The new strategy injects fresh promise for equitable development in the region, and will draw on the Bank’s Affirmative Finance Action for Women in Africa (AFAWA) initiative as a means of unlocking some US$5 billion over the next five years to support women’s small and medium enterprises.
The Islamic World Educational, Scientific, and Cultural Organization (ICESCO), launched a new strategy to strengthen capacities in innovation in the Islamic world. Structured around four pillars, the strategy includes establishing research scholarships, an innovation award, and programmes on green technology and innovation clusters in ICESCO Member States. ICESCO plans to encourage cooperation with international partners, research centres and universities both inside and outside the Islamic world as a means of mutual exchange to harness new technologies to achieve development outcomes.

UNESCO launched its Regional Survey of Languages to update data on languages and language users in the Arab States region. Each year, on the occasion of World Arabic Language Day, 18 December, UNESCO invites its Member States and relevant partners in the region to complete the survey. The work feeds into UNESCO’s efforts in promoting linguistic diversity and multilingualism, the implementation of the UNESCO Recommendation Concerning the Promotion and Use of Multilingualism and Universal Access to Cyberspace (2003), and the Organization’s work in developing a World Atlas of Languages (WAL).
After nearly two years in the making, the Pacific Data Hub was launched as a digital gateway to reliable development information for Pacific governments, agencies, donors and civil society. It builds on the premise that sharing knowledge and building ongoing evidence will drive learning and better outcomes over time. The Pacific Data Hub also holds data on the 132 Pacific Sustainable Development Indicators selected by the sub-region to facilitate monitoring of the 2030 Agenda for Sustainable Development.

Also at sub-regional level, China, Japan and South Korea unveiled their designated cites for Culture Cities of East Asia 2021. Shaoxing and Dunhuang in China, Kitakyushu in Japan, and Sunchon in South Korea will work together throughout the year to promote a range of culture-based initiatives, such as cultural exchange, intangible cultural heritage and urban planning. Since its launch in 2013, Culture Cities of East Asia has promoted the development and prosperity of East-Asian culture, both within the sub-region and beyond.

Southeast Asia is one of the fastest-growing areas in the world in many areas of development. The US-ASEAN Business Council, Deloitte and the Singapore Economic Development Board launched “Edges of Southeast Asia”, an information resource that captures current social, technological, economic and political trends in the region. It also provides insight into the complex dynamics shaping the business world today and their impact on the future development of Southeast Asia.

China and Pakistan agreed to bolster their ongoing bilateral cooperation in culture and tourism. The countries decided to both leverage existing linkages and introduce new mechanisms that will harness development potential, such as bilateral tourism.
January marked the official departure of the United Kingdom from the European Union, which will generate shifts in the cultural ecosystem of the region. Already certain challenges have been foreseen in the area of culture related to, for instance, employment, mobility, regulatory environment, funding, data, tourism, copyright and broadcasting. The first consequence of Brexit for the cultural community is the UK’s withdrawal from the Creative Europe programme, which supports collaboration projects between European artists. A study carried out by the British House of Commons points out that for many programme beneficiaries “getting funding from Creative Europe has been a catalyst to unlock other private investments in projects”. The Creative Industries Federation (UK) expressed its concern that given the likelihood that tariff-free access on goods will only be negotiated at the end of 2021, there are immediate risks to the sector in accessing international talent, touring and collaborating with EU counterparts. Even at this stage of the UK’s departure from the EU, there are signs of casualties in culture, including the Erasmus scheme and the lack of automatic recognition of professional qualifications.

In addition, January saw a new Presidency of the Council of the European Union. Germany has handed the Presidency to Portugal until 30 June this year. A focus is the sustainable recovery of the cultural and creative sectors from the pandemic. The Presidency will also promote funding diversification to safeguard and protect Europe’s cultural heritage. Other areas of culture will remain on the agenda, such as access to culture and participation in cultural life, the relationship between the arts and education, and the role of emerging technologies, such as Artificial Intelligence and robotics.

On 7 December, the Council of the European Union adopted the Conclusions on on EU Peace Mediation, which underlined cultural heritage as an entry point to EU peace mediation efforts. The document updates the EU’s first strategic document focusing on mediation adopted in 2009, and accompanies an evolution to a more systematic and strategic EU approach to mediation, notably in terms of policy development and capacity-building.
The Organization of Ibero-American States for Education, Science and Culture (OEI) and UNESCO signed a cooperation agreement to work together towards achieving the 2030 Agenda for Sustainable Development. The agreement commits to supporting initiatives aimed at improving the contribution of culture to sustainable development, as well as promoting the cultural and creative industries in Latin America. In the field of education, the agreement points to leveraging various international and regional coordination mechanisms to strengthen the implementation of SDG 4.

The Ibero-American Performing Arts Fund (IBERESCENA) announced the distribution of 112 grants for projects and assistance totalling over €950,000. The projects will be carried out throughout 2021 to support the performing arts in 16 member countries in Latin America and Europe.

Turning to the Caribbean, CARICOM, University of the West Indies and UNESCO launched the project "Creative Caribbean: An Ecosystem of ‘Play’ for Growth and Development" to stimulate the growth of the creative economies in 14 Caribbean countries. The sub-regional project is backed by a €3 million funding package from the European Development Fund and will be rolled out over a 40-month period. With the creative economy at its heart, the project targets job creation and decent work, an effective value chain for cultural and creative goods and services, improved market access, and supported regional and national policy-making.
Several Member States refer to the value of CCIs to the national economy. Ukraine and Jamaica both indicate that these industries supply around 4% of GDP and 3% of all employment in their respective countries. Estonia strengthens its cultural and creative potential through nurturing entrepreneurship, which not only benefits exports but other sectors through innovative business models, products and services. The country also connects culture with economic growth through supporting initiatives, such as film festivals, art exhibitions, music shows, sustainable architecture projects and gastronomy. In its 2018 VNR, Greece describes the CCIs as “a dynamic cluster of sectors which underpins local, regional and national economies and societies”. Cultural heritage, creative industries and tourism are one of the eight national priorities of the Greek government, which build closer ties between culture and society through cultural participation, supporting creativity among youth, and developing international distribution channels for Greek cultural products. Certain countries have also established dedicated government bodies to harness the full potential of the creative economy. A case in point is Indonesia, which in 2015 established a specific agency tasked with advancing the creative economy in the country.
While the CCIs contribute to many of the SDGs, including SDGs 1, 2, 4, 5, 8, 9, 10, 11, 16 and 17, the majority of VNRs couple the CCIs with tourism and handicrafts. Therefore, most Member States focus on the contribution of the CCIs to SDG 8, specifically Target 8.9 on “sustainable tourism that creates jobs and promotes local culture and products”. Senegal cites quality tourism development and the CCIs as a pathway to achieving Target 8.9, as outlined in its Strategic Plan for the Development of Sustainable Tourism. The medium- and long-term action plan of Guinea aims at ensuring economic growth and job creation through the development and promotion of tourism and handicrafts. Ecuador’s Prosperity Plan (2018-2021) includes public policies to nurture micro-enterprises and SMEs in handicrafts. One of the programmes underway is “Creative Ecuador” that includes a 0% VAT for artistic and cultural services, tariff exemptions for goods intended for cultural use, and the redistribution of public resources for hiring national artists. Similarly, in Peru, a Regional Decree on Sustainable Tourism in Cajamarca promotes the development of artistic and cultural activities and expressions through providing training and assistance to local artisans in the production and distribution of their handicrafts, as well as boosting tourism to cultural sites and natural areas.
Handicrafts are also a feature of public policies for women’s economic empowerment and poverty alleviation. *Egypt*, for instance, has established an industrial zone in a village for young women to be trained and work in handicrafts. Several private sector partnerships in the country also contribute to empowering communities through safeguarding handicrafts. *Samoa* highlights traditional fine mat weaving as a way to both support women’s economic empowerment and preserve these cultural treasures. Similarly, in *Guatemala* the initiative “Artisan Scholarship” aims to equip women living in poverty with the knowledge and skills to produce crafts that can be marketed, thus helping them break the cycle of poverty. While the VNRs illustrate a trend of leveraging handicrafts for women’s economic empowerment, some countries, such as *Morocco*, also highlight the entrepreneurial dimension of women’s contribution to the creation of cultural enterprises, as part of a broader strategy to position the country as an artistic hub of cultural diversity and creativity.
**WORLD DAY FOR AFRICAN AND AFRODESCENDANT CULTURE**

To commemorate the [World Day for African and Afrodescendant Culture](https://www.unesco.org) (24 January), UNESCO mobilized its Member States to celebrate the diversity of the African continent and African diasporas, and to highlight culture’s role in sustainable development, dialogue and peace. The World Day is shared with the anniversary of the Charter for African Cultural Renaissance adopted in 2006 by the Heads of State and Governments of the African Union (AU) to empower Member States to strengthen national policies and promote Pan-Africanism, cultural renewal and identity.

Celebrations were held around the world, including the virtual festival [Dale más afro](https://www.unesco.org) that was organized by the UNESCO Office in San Jose and counted the participation of the Government of Costa Rica, UN agency representatives, and numerous African and Afro-descendant artists.

**INTERNATIONAL YEAR OF CREATIVE ECONOMY FOR SUSTAINABLE DEVELOPMENT**

At the 74th session of the UN General Assembly, 2021 was declared as the International Year of Creative Economy for Sustainable Development. The Year highlights the need to promote inclusive economic growth, nurture innovation, and provide opportunities and benefits for all with respect to all human rights. It also underlines the ongoing need to support developing countries and countries with economies in transition through diversifying production and exports in sustainable growth areas, such as the cultural and creative industries.

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