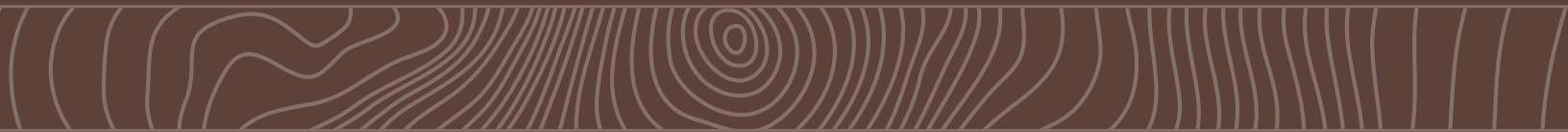




UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

Creative Industries



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A UNIDO/Department of Agribusiness Services Delivery Overview

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Context



Creative industries provide sustainable employment and income generation opportunities, in particular for special population groups, such as women, unemployed or out-of-school youth and communities living in marginalized areas.

Contributing 3 per cent of global GDP in 2019,¹ creative industries constitute a large, vibrant and growing sector that offers opportunities for increased freedom of expression, exchange and economic development. Creative industries include a wide range of sectors, including (but certainly not limited to) advertising, architecture, graphic design, performing arts, software and mobile application design, and broadcasting (television and radio). Population growth and the emergence of a middle class in many developing countries have resulted in dynamic lifestyle shifts, leading to an increased demand for high quality goods and services produced through creative industries, in the process creating strong potential for jobs and economic prosperity.

Creative industries provide sustainable employment and income generation opportunities,

in particular for special population groups, such as women, unemployed or out-of-school youth and communities living in marginalized areas. For these groups, who may have been excluded from other high-growth sectors, creative industries can play an important role in fostering greater socioeconomic inclusion.

In addition, in areas where traditional income opportunities were once limited to small-scale farming, increased access to technology and infrastructure is helping to develop creative industries. This sectoral diversification can help to create employment opportunities, grow local economies and mitigate mass-migration to urban centres. As a result, creative industries can also contribute to enhancing business activities and sustainable livelihoods in once underdeveloped regions.



In areas where traditional income opportunities were once limited to small-scale farming, **increased access to technology and infrastructure** is helping to develop creative industries.



¹ Source: United Nations Conference on Trade and Development, "How the creative economy can help power development", 2019. Available at https://unctad.org/en/pages/newsdetails.aspx?OriginalVersionID=2230&SiteMap_x0020_Taxonomy=UNCTAD%20Home:#1547#Creative%20Economy%20Programme

Challenges faced by Creative Industries



Creative industries are often overlooked by governments and the private sector as a source of socioeconomic development. As a result, they lack a governing structure, investment, and the infrastructure necessary to build a creative ecosystem, resulting in a highly fragmented industrial landscape that is unable to capitalize on synergies or develop stable channels for trade and knowledge exchanges. e sector and entrepreneurial system.

For entrepreneurs in creative industries, the absence of a governing structure, a sense of isolation, and lack of support from public and private sectors makes starting new business ventures in this arena too risky to pursue. Strong communication channels foster the development of networks – both locally and globally through digital means – among the sector's stakeholders and small and medium-sized enterprises, which drive innovation. Unfortunately, in many developing countries, the resources needed to support growth and expansion, including partnerships to gain access to new markets and networks, remain highly limited.

Young people looking to get into creative industries also face a number of challenges, including the lack of training and education programmes to furnish them with the skills necessary to work in these sectors or to start their own businesses. Young women and men often enter creative industries in a highly informal way, relying on learning as they go, with few opportunities to increase their skills and grow their enterprises.



UNIDO and Creative Industries

UNIDO provides a cross-cutting approach to support sustainable and inclusive solutions for creative industries by mobilizing its international expertise in a diverse array of areas, including private sector development, technical education and vocational training, institutional capacity-building, and policy advice.

UNIDO is a neutral broker, leveraging its strategic position between both local and international private and public sectors, to establish common ground and build synergies for mutual benefit. The private sector – from small local businesses to large multinational firms

– has an interest in supporting creative industries and a strategic role to play in their future prosperity. UNIDO brings these stakeholders to the table along with the public sector to develop innovative solutions that respond to development goals and market priorities.



UNIDO'S MULTIPLE-LEVEL APPROACH TO FOSTER CREATIVE INDUSTRIES

UNIDO's Tailored Approach



UNIDO delivers modular and comprehensive solutions to support the development of creative industries in emerging economies. This highly adaptable model is structured in the form of individual and customizable building-blocks to respond to the particular challenges and requirements of each situation

CREATIVE INDUSTRIES 4.0

Creative industries 4.0 - the creative industries thrust of the fourth industrial revolution² - facilitates the application and transition to digital technologies in creative industries based on a four-pillar approach: first, adapting skills to respond to the needs of digital industries; second, enhancing the mobility and reach of creators and their creations by improving access to different markets and expanding networks; third, improving the legal environment surrounding digitalization of cultural industries; and, fourth, facilitating access to markets and investment through information sharing and partnerships.

360° VALUE CHAIN ANALYSIS AND DESIGN

Through the 360° value chain analysis and design, gaps are identified in a country's creative industries ecosystem. Based on a value chain analysis, this approach adds design thinking to take full account of all the processes and entities involved in a given system and find innovative solutions that help to produce sustainable economic results.

QUALITY SKILLS AND TECHNOLOGY TRANSFER

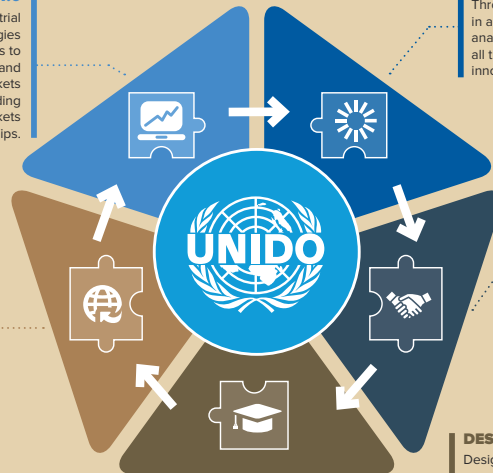
Quality skills and technology transfer support artisans and creative professionals, by developing their skills to create products and content that adhere to international standards of quality. To achieve this, UNIDO works closely with governments, national technical and vocational educational and training (TVET) systems and the private sector to develop state-of-the-art, demand-driven training programmes to prepare graduates to compete at a global level.

MULTILATERAL PUBLIC-PRIVATE PARTNERSHIP PLATFORMS

Multilateral public-private partnership platforms seek, first, to enhance private sector involvement in identifying projects that are attractive to investment and are in alignment with international market standards; second, to facilitate the transfer of technologies and knowhow, replicating successful experiences implemented by private partners in other similar contexts; third, to promote bankable projects within the international business community active in the sector in order to facilitate possible joint venture or partnerships; and, fourth, to promote necessary reforms and value chain improvements in order to facilitate conditions conducive for doing business and investing in the creative industries.

DESIGN THINKING THROUGH HIGHER EDUCATION

Design thinking through higher education supports the development of curricula covering the skills and techniques sought by creative industries to transform higher learning institutions as suppliers of new creative talent in a wide range of sectors. By bringing together governments, higher education institutions and the private sector, UNIDO is helping to create new degree programmes in creative sectors at the bachelor's and master's levels, which foster creativity and innovation hubs, boost competition and promote economic development in growing industries.



² Intelligent automation, machine learning, the Internet of Things... through smart machines and intelligent robots, factories are becoming more efficient and less wasteful. Industry 4.0 promotes the upgrading of industrial enterprises, accelerates the deployment of renewable energy in manufacturing, saves costs and enhances productivity, but it also brings challenges for developing countries.

UNIDO, Creative Industries and the Sustainable Development Goals

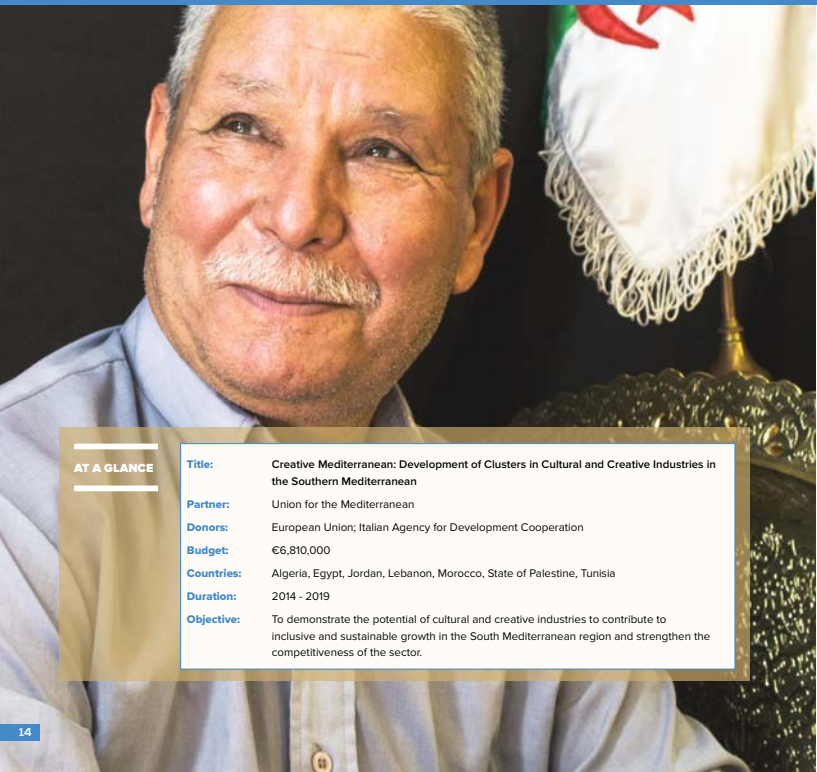


UNIDO interventions are also designed for scaling up. While individual projects have tangible impacts at the local level, by widening interventions it is possible to achieve a larger development impact at the country level, contributing to national and international development objectives, such as the Sustainable Development Goals, through at-scale partnerships with the private sector, international financial institutions and other development partners.

UNIDO support for creative industries contributes directly to the following Sustainable Development Goals:



Project Spotlight: Algeria, Egypt, Jordan, Lebanon, Morocco, State of Palestine and Tunisia



AT A GLANCE

Title:	Creative Mediterranean: Development of Clusters in Cultural and Creative Industries in the Southern Mediterranean
Partner:	Union for the Mediterranean
Donors:	European Union; Italian Agency for Development Cooperation
Budget:	€6,810,000
Countries:	Algeria, Egypt, Jordan, Lebanon, Morocco, State of Palestine, Tunisia
Duration:	2014 - 2019
Objective:	To demonstrate the potential of cultural and creative industries to contribute to inclusive and sustainable growth in the South Mediterranean region and strengthen the competitiveness of the sector.

CONTEXT

Cultural and creative industries are a powerful force of stimulation, offering an invaluable opportunity to create jobs, while preserving those that already exist and enhancing the qualities and resources of the areas where they operate.

In addition, the cultural and creative industries and design market in the Middle East and North Africa region have been valued at more than \$100 billion, representing about 4.5 per cent of the global design market, which accounts for

\$2.3 trillion. In addition, the region is forecasting annual market growth of 6 per cent to reach \$147.5 billion in 2019.

The approach taken by UNIDO to create industries places design and creativity at the centre of socioeconomic development and resilience. By highlighting cultural heritage through design, new market and economic opportunities are created for local populations, addressing unemployment and thus creating resilience.

APPROACH

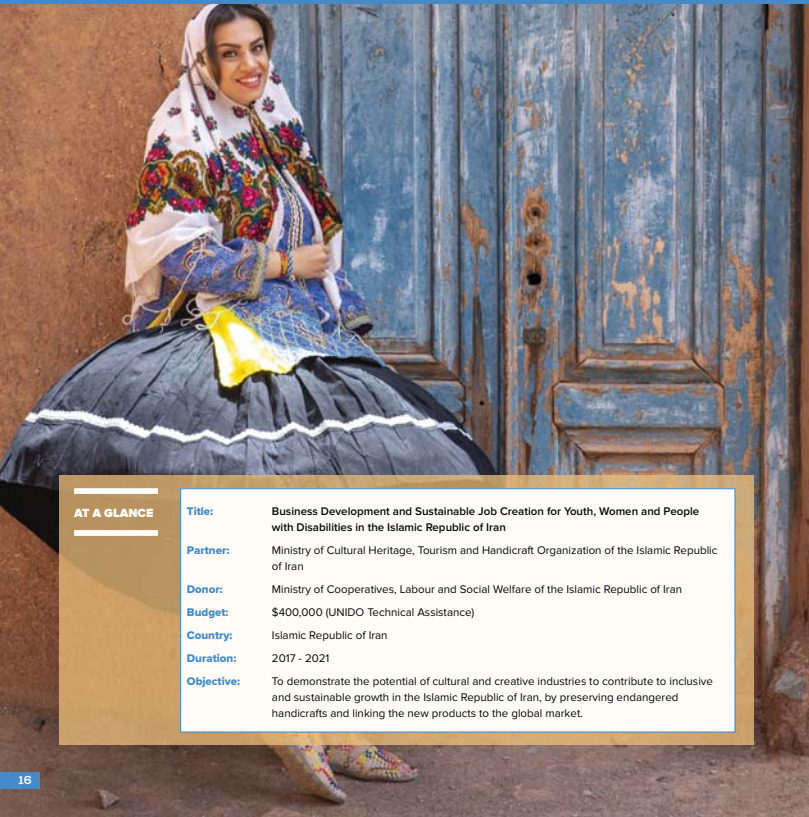
The project makes use of the UNIDO approach to cluster development, where the pro-poor growth potential resides not only in its capacity to stimulate high rates of growth, but also in the conducive environment that it provides for the promotion of broad-based and inclusive forms of development. This is partly because clusters constitute socioeconomic systems in which the population of enterprises often overlaps with the communities living and working within a specific area or territory.

The rationale behind this approach resides in the power of joint actions to enable cluster stakeholders to overcome limitations and reap opportunities that are beyond their individual reach.

RESULTS

- 350+** beneficiary small and medium-sized enterprises;
- 350+** new products developed;
- 50+** beneficiaries participating in international trade fairs;
- €1 million** direct increase in sales for beneficiaries through project activities;
- More than **€10 million** mobilized for replication projects funded by international donors in Palestine, Tunisia and Jordan;
- 55 per cent** of the beneficiary small and medium-sized enterprises with improved economic performance;
- 7** design hubs created for sustainable access to services;
- 700+** jobs created by direct beneficiaries;
- 7** cluster policy development strategies developed and presented to stakeholders;
- 60** support institutions with strengthened capacity.

Project Spotlight: Islamic Republic of Iran



AT A GLANCE

Title:	Business Development and Sustainable Job Creation for Youth, Women and People with Disabilities in the Islamic Republic of Iran
Partner:	Ministry of Cultural Heritage, Tourism and Handicraft Organization of the Islamic Republic of Iran
Donor:	Ministry of Cooperatives, Labour and Social Welfare of the Islamic Republic of Iran
Budget:	\$400,000 (UNIDO Technical Assistance)
Country:	Islamic Republic of Iran
Duration:	2017 - 2021
Objective:	To demonstrate the potential of cultural and creative industries to contribute to inclusive and sustainable growth in the Islamic Republic of Iran, by preserving endangered handicrafts and linking the new products to the global market.

CONTEXT

The Islamic Republic of Iran is facing renewed economic hardship and the looming reinstatement of sanctions on the country's economy. Repercussions in the form of a currency crisis and the announcement of cessation of activities by a significant number of multinational corporations have worsened the country's already difficult economic conditions. The national unemployment rate stands at

12.1 per cent, while youth unemployment is significantly higher at 25.3 per cent.

Traditional handicrafts and local crafts are deep-rooted in the Islamic Republic of Iran; creative and cultural clusters are emerging in several of the country's provinces, enhancing productivity, sustainable employment and export opportunities.

APPROACH

The project follows the UNIDO approach to cluster development, where the pro-poor growth potential resides not only in its capacity to stimulate high rates of growth, but also in the conducive environment that it provides for the promotion of broad-based and inclusive forms of development. This is partly because clusters constitute socioeconomic systems in which the population of enterprises often overlaps with the communities living and working within a specific area or territory.

The rationale behind this approach resides in the power of joint actions to enable cluster stakeholders to overcome limitations and reap opportunities that are beyond their individual reach. UNIDO provides the cultural and creative industries clusters with technical assistance to improve cost and quality competitiveness, production capacity, packaging, development of design capacities to respond to international markets, business linkages and access to new markets.

RESULTS

- ✓ **Over 50** participants in international trade fairs;
- ✓ **80 per cent** of the 200 start-ups participating in the project with improved performance, as indicated by increased international and local sales and revenue generated (approximately \$200,000 increase in exports and sales);
- ✓ **90** new traditional and cultural-based product lines developed;
- ✓ **2** creative hubs established;
- ✓ **45** local business development service providers supported.

About UNIDO

Further information

Further information about this project and its activities is available on the UNIDO website: www.unido.org

This publication may be downloaded free of charge from the website.

UNIDO in brief

UNIDO is the specialized agency of the United Nations that promotes industrial development for poverty reduction, inclusive globalization and environmental sustainability.

As of 1 April 2019, 170 States are Members of UNIDO. They regularly discuss and decide UNIDO's guiding principles and policies in the sessions of the Policy Making Organs. The mission of UNIDO, as described in the Lima Declaration adopted at the fifteenth session of the UNIDO General Conference in 2013, is to promote and accelerate inclusive and sustainable industrial development (ISID) in Member States.

UNIDO maintains a field network comprising of 48 regional and country offices around the world.



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