



Chapter II

International trade in creative goods and services



International trade in creative goods and services

Exports of creative goods increased by more than 3.5-fold over the past two decades (compared to a 3.8-fold increase for all exported goods during the same period), while those of creative services increased by 2.8-fold over the last decade (as opposed to a 1.5-fold increase for all services exports). UNCTAD estimates that the total exports of creative services reached a record US\$ 1.4 trillion in 2022, almost double of creative goods exports, which reached US\$ 713 billion (see Figure 12). Creative goods and services exports have decoupled in the past few years, driven by a robust increase in software and research and development services exports and the digitization of some creative products. International trade in creative goods and services is concentrated. A few product groups and key countries account for a significant portion of trade. The following sections highlight latest trends in creative trade based on UNCTAD's updated statistics on international trade in creative goods and services. They also discuss trade policies and barriers relevant for creative products.

After the COVID-19 pandemic, creative goods and services trade has experienced growth since 2021. Exports of creative goods grew by 3.1 per cent in 2022, while the exports of creative services increased by 2.9 per cent (see Figure 13). The increasing demand for crafts, design goods, including jewellery and fashion accessories, as well as software, video games, and recorded media products are the primary drivers of growth in the trade of creative goods. Meanwhile, software services are the main drivers of trade in creative services (software can be traded both as a physical good, such as a storage device, and as a service).

While the share of creative goods from total exports slightly decreased over the years (from 3.1 per cent in 2002 to 2.9 per cent in 2022), the percentage of creative services from all services exports has shown a

spectacular growth from 12 per cent in 2010 to 19 per cent in 2022 (see Figure 14).³

International trade in creative goods and services continues to be regionally unbalanced, and the bulk of trade is concentrated in a handful of economies. The top ten exporters capture 70 per cent of the creative goods exports and 69 per cent of creative services exports. Developing countries account for most creative goods exports, while developed countries account for most imports. Developed countries dominate creative services exports. The chapter provides further details by region, development levels and product groups.

This chapter uses UNCTAD data as of January 2024. However, there are essential data availability challenges. Data on trade in creative goods have relatively good availability and country

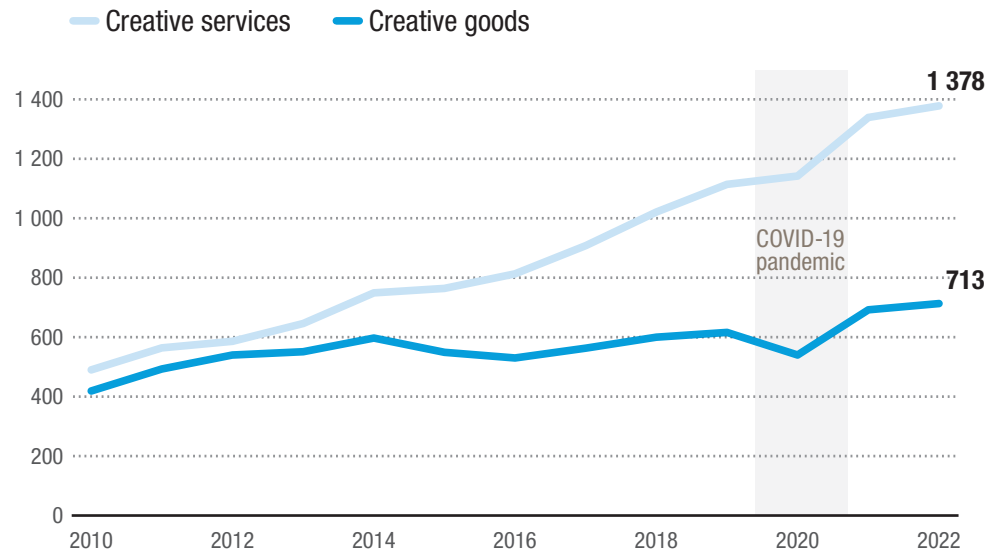
³ Total services here may differ from total services published in UNCTADstat. Here, they cover only those countries for which creative services could be estimated.





Figure 12

Global exports of creative goods and services
(US\$ billion)

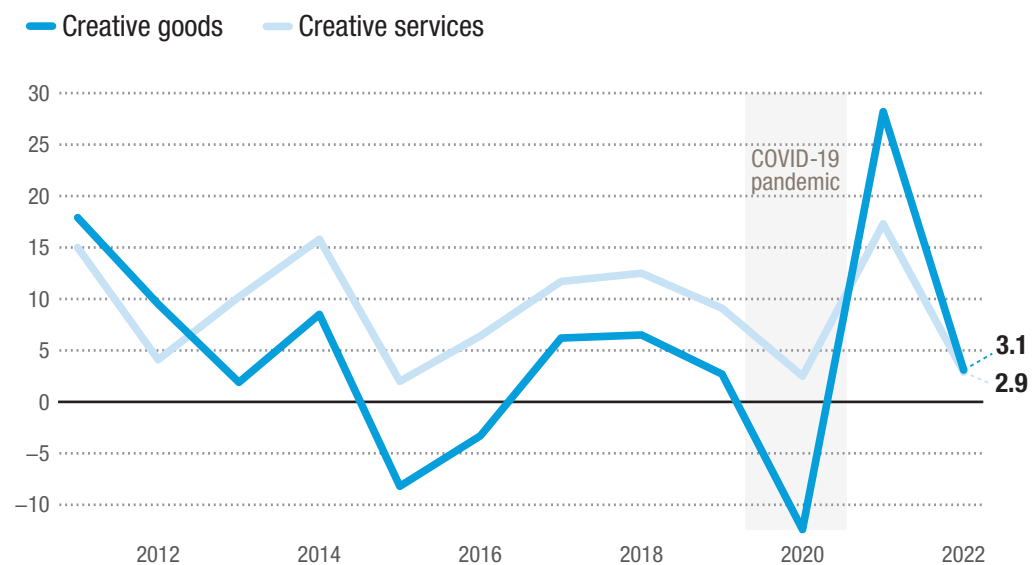


Source: UNCTAD.



Figure 13

Annual growth rate of creative goods and services exports
(Percentage)



Source: UNCTAD.

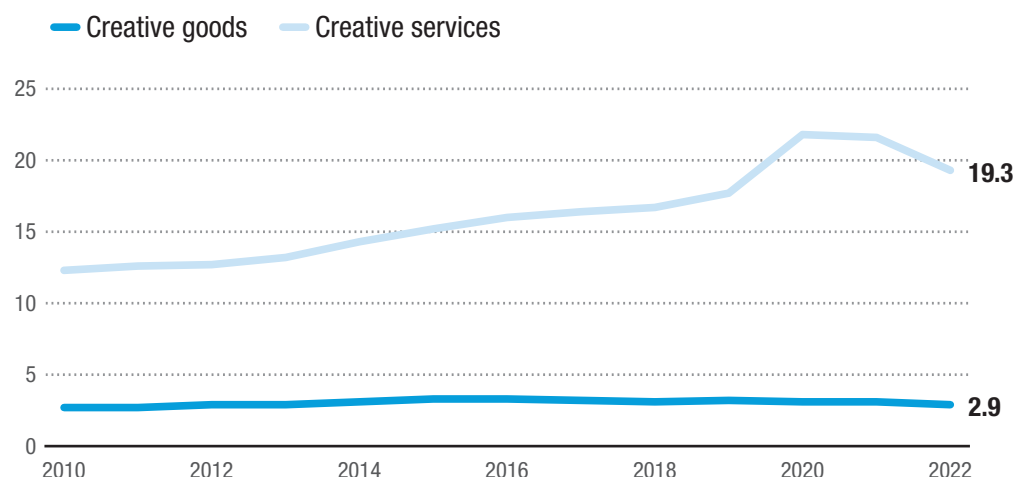




Figure 14

Share of creative goods and services exports from total merchandise and services exports

(Percentage)



Source: UNCTAD.

coverage. Still, many developing countries have no data or do not report data at the necessary granularity, especially regarding trade in creative services.⁴

A. Creative services

Measuring the creative services trade is more complex than the trade in creative goods. This report uses an experimental data set on international trade in creative services developed by UNCTAD. The data set uses UNCTAD-World Trade Organization (WTO) annual data on trade in services based on all available official trade-in-services statistics. They are complemented with adjustments and estimates representing over 70 per cent of records, making the dataset experimental. Because of these limitations, the report only looks at creative services exports for countries and regions where data is available.

Trade in creative services is measured using the Extended Balance of Payments Services Classification (EBOPS). UNCTAD considers

ten EBOPS categories as creative services or services with a significant creative component. However, it is not always simple for data compilers to distinguish between some service categories, like research and development (SJ1) and licenses to use the outcomes of research and development (SH2), software sales (SI21) and the sales of the rights to use software (SH3). The same principle applies to audiovisual services. Therefore, UNCTAD regrouped these services categories to achieve more comparability among countries (see Table 2). The six services groups include:

- advertising, market research, and architecture
- audiovisual
- cultural, recreational, and heritage services
- information
- research and development
- software.

As discussed in the UNCTAD Creative Economy Outlook 2022 (UNCTAD, 2022a),

⁴ As of January 2024, 162 economies reported creative goods trade data for 2020, 161 for 2021, and 144 for 2022. Regarding trade in creative services, 126 economies have data for 2020, 117 for 2021, and 99 for 2022.



**Table 2****Creative services categories for the measurement of international trade**

EBOPS item	Name	UNCTAD services category
SH2	Licences for the use of outcomes of research and development	Research and development
SH3	Licences to reproduce and/or distribute computer software	Software
SH4	Licences to reproduce and/or distribute audio-visual and related products	Audio-visual
SI21	Computer services, software	Software
SI3	Information services	Information
SJ1	Research and development	Research and development
SJ22	Advertising, market research, and public opinion polling services	Advertising, market research, and architecture
SJ311	Architectural services	Advertising, market research, and architecture
SK1	Audio-visual and related services	Audio-visual
SK23	Other personal, cultural, and recreational services, heritage and recreational services	Cultural, recreational, and heritage services

Source: UNCTAD.

“the main issue with creative services trade data is data availability, especially in developing countries, and the lack of necessary detail in the reported data. In addition, many creative services in international trade, such as performing arts, often by small and informal entities, go unreported in developing countries. When countries do not report at the required sub-category levels, estimating what proportion of the higher-level service was creative becomes difficult.” Developed economies tend to have better reporting on creative services, although not all of them. Developing economies tend to have less detailed information. The lack of data does not necessarily mean that certain developing economies do not have thriving creative services trade, but rather that they lack statistical capacities or do not officially

report data in the necessary detail. India and South Africa, for example, have national data about creative services to some extent (Export-Import Bank of India, 2022; South African Cultural Observatory, 2022).

Growth

Creative services exports have grown faster than total services over the last decade, except in 2022, when growth slowed significantly, especially in the exports of research and development and software services. The subdued growth in 2022 is not because of decreased demand, rather due to exchange rate volatility (WTO, 2023a). As shown in Figure 15, the export growth rate of creative services follows the patterns of total services export growth. Since 2019, developing countries have experienced higher growth rates in creative services



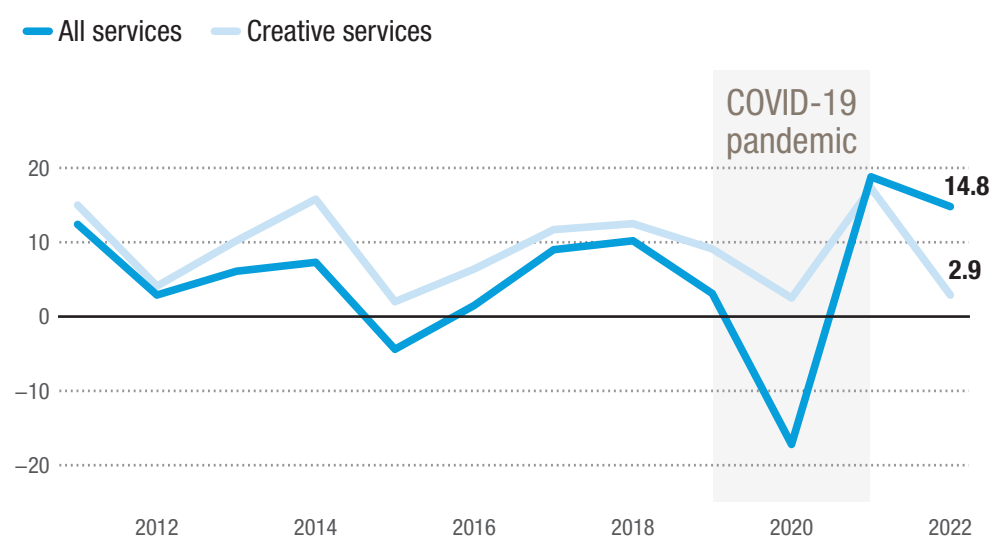
exports than developed countries (see Figure 16). In 2022, among the thirty largest creative services exporters, the countries registering the highest growth rates included

Israel (18 per cent annual growth rate in creative services exports), Romania (15 per cent), Spain (13 per cent), Portugal (10 per cent) and Denmark (7 per cent).

Figure 15

Annual growth rate of total services exports vs exports of creative services

(Percentage)

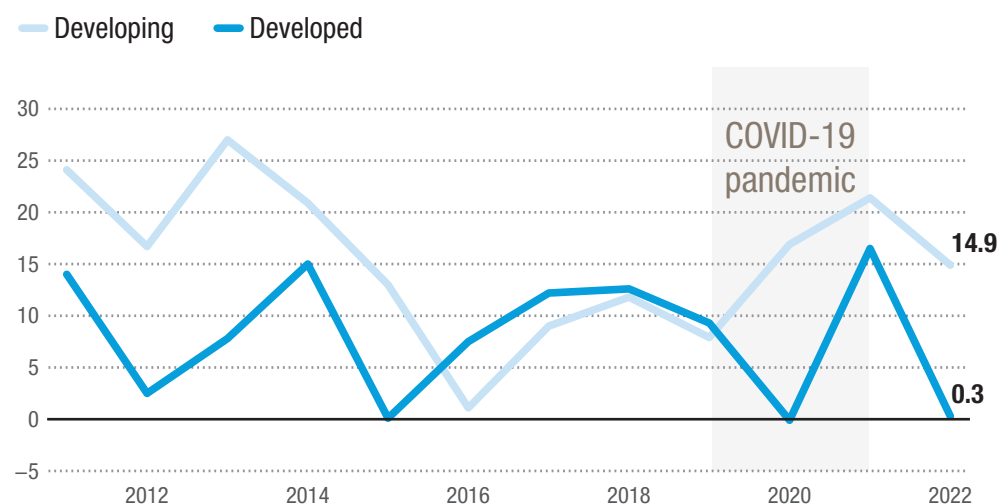


Source: UNCTAD.

Figure 16

Annual growth rate of creative services exports in developed and developing economies

(Percentage)



Source: UNCTAD.

Regional trends

The global exports of creative services increased from US\$ 490 billion in 2010 to almost US\$ 1.4 trillion in 2022. As shown in Figure 17, Europe is the largest exporter of creative services (with the exports of creative services reaching US\$ 720 billion in 2022), followed by Asia (US\$ 359 billion) and Northern America (US\$ 274 billion). Other regions' estimated creative services exports are significantly lower (US\$ 14 billion in Latin America and the Caribbean, US\$ 8 billion in Oceania, and US\$ 4 billion in Africa). However, data availability and lack of reporting may also be at play.

Developed countries have been exporting significantly more creative services than developing economies (see Figure 18), accounting for around 80 per cent of all creative services exports in 2022. The gap between developed and developing countries has slowly decreased over the past decade. In 2010, developing countries accounted for 10 per cent of global creative services exports, a share that reached 20 per cent in 2022.

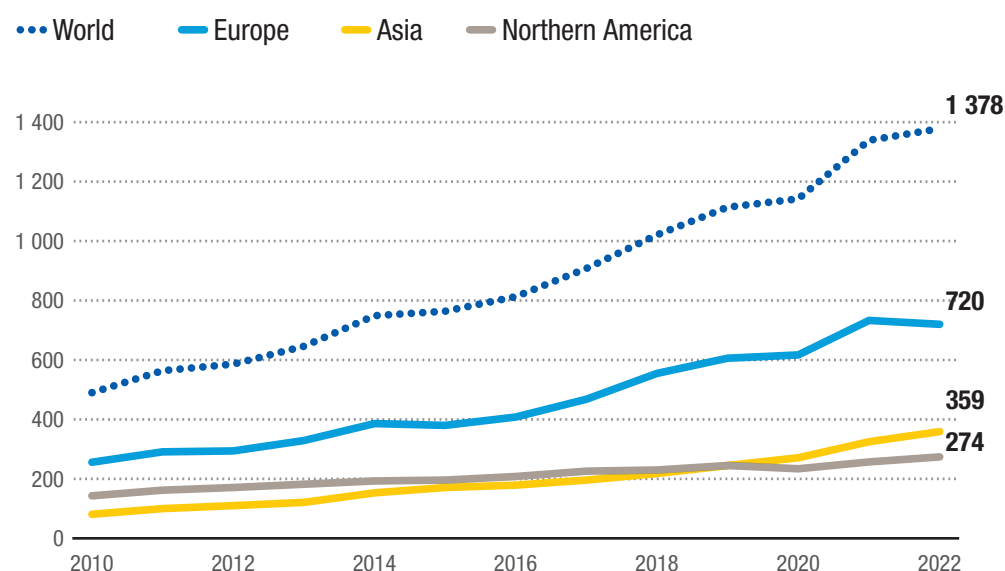
Major exporters

The majority of creative services trade is between developed economies.

Based on available data, most creative services are exported by a few and mainly developed economies. The ten major creative services exporters account for 69 per cent of global exports. In 2022, the United States of America and Ireland were by far the largest exporters of creative services, with US\$ 244 billion and US\$231 billion, respectively. In Ireland, multinational companies strongly contribute to creative services exports, especially in computer services, as they report their global copyright and license income from here. The following largest creative services exporters are the United Kingdom (US\$ 87 billion), Germany (US\$ 79 billion), and China (US\$ 67 billion). The list of the world's ten leading exporters of creative services in 2022 includes eight European countries, one from Asia, and one from Northern America (see Figure 19).

Table 3 and Table 4 present the most significant developed and developing economy exporters of creative services in

Figure 17
Exports of all creative services by region
(US\$ billion)

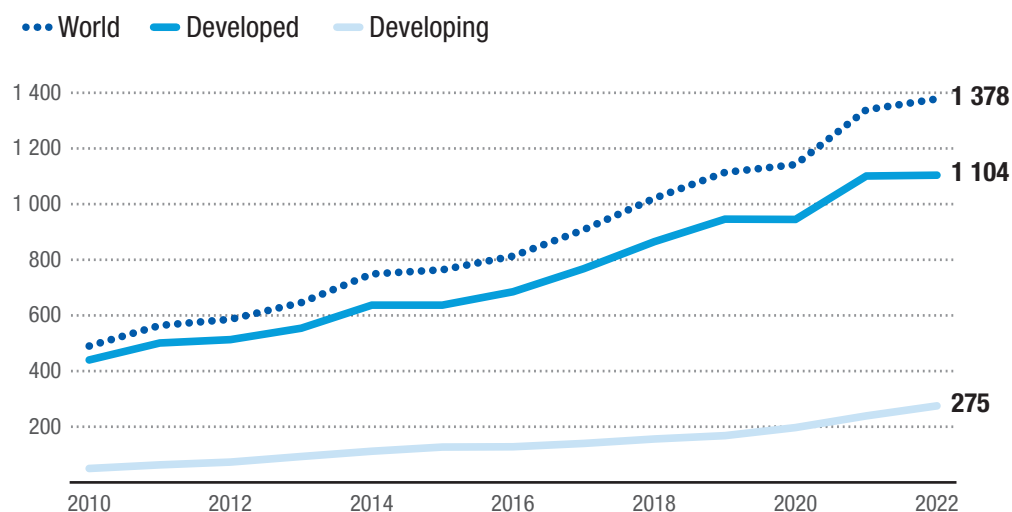


Source: UNCTAD.



Figure 18

Exports of all creative services by developing and developed economies
(US\$ billion)

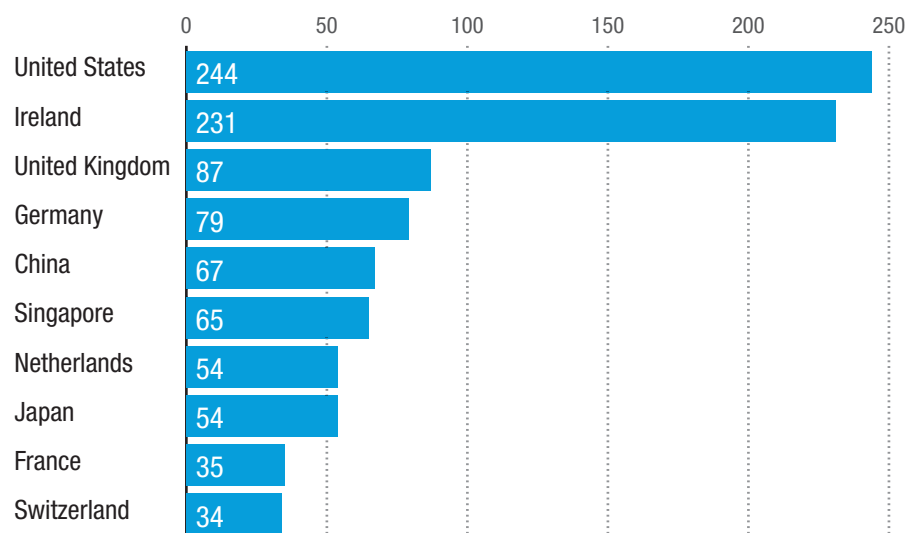


Source: UNCTAD.



Figure 19

Top ten exporters of creative services in 2022
(US\$ billion)



Source: UNCTAD.

2022, where data were available. It should be noted that several economies, especially developing economies (i.e., Argentina, Brazil, Chile, Egypt, India, Indonesia, Malaysia, Nigeria, South Africa, Thailand, and Viet Nam), do not have adequate services trade data to calculate creative services

exports. However, this does not mean they do not export creative services.

Main exported services

Figure 20 shows global creative services exports by product group. Software





Table 3
Developed economies: top ten creative services exporters in 2022

	Developed economies	Exports of creative services (US\$ billion)	Share from world exports of creative services (percentage)	Share of creative services from country's total exports (percentage)
1	United States	244.3	17.7	26.3
2	Ireland	231.3	16.8	65.1
3	United Kingdom	87.0	6.3	17.6
4	Germany	78.6	5.7	19.1
5	Netherlands	53.7	3.9	19.7
6	Japan	53.6	3.9	32.1
7	France	35.4	2.6	10.5
8	Switzerland	33.8	2.5	22.9
9	Israel	33.2	2.4	36.5
10	Sweden	31.9	2.3	33.7
	Total	882.8	64.1	

Source: UNCTAD.



Table 4
Developing economies: top five creative services exporters in 2022

	Developing economies	Exports of creative services (US\$ billion)	Share from world exports of creative services (percentage)	Share of creative services from country's total exports (percentage)
1	China	67.5	4.9	15.9
2	Singapore	65.5	4.8	22.5
3	Taiwan Province of China	5.9	0.4	10.2
4	Philippines	3.3	0.2	7.9
5	Türkiye	2.1	0.2	2.3
	Total	144.2	10.5	

Source: UNCTAD.

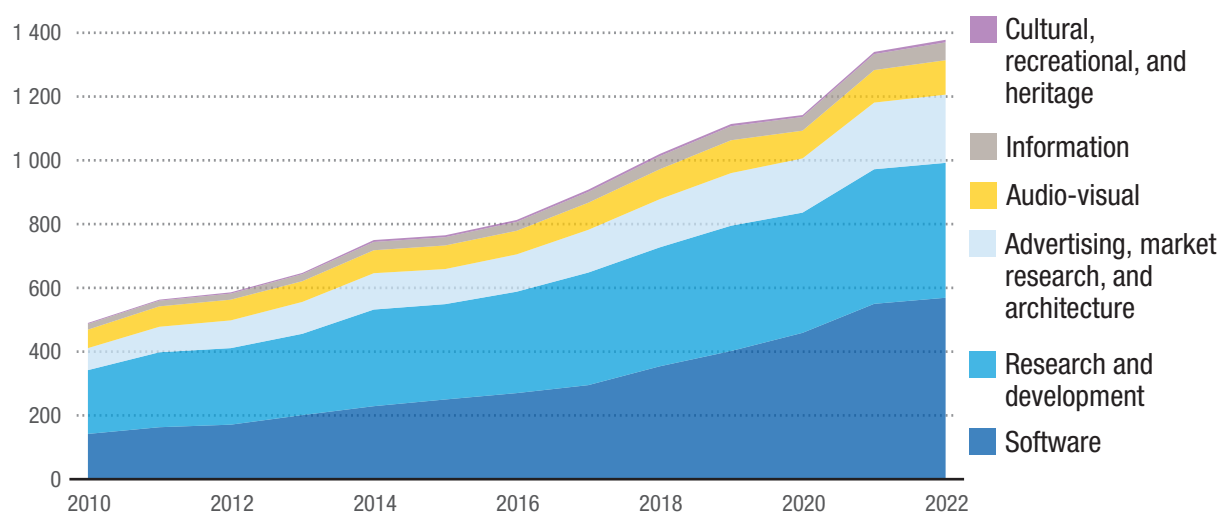




Figure 20

World creative services exports by services categories

(US\$ billion)



Source: UNCTAD.

services (accounting for 41.3 per cent of total creative services exports in 2022) and research and development (30.7 per cent) are the most extensively exported creative services. They are followed by advertising, market research, and architecture (15.5 per cent), audiovisual (7.9 per cent), information (4 per cent), and cultural, recreational, and heritage services (0.6 per cent).

All creative services categories experienced a downturn in exports in 2020 during the COVID-19 pandemic, except software services (which registered an annual growth of 14.2 per cent in 2020) and advertising, market research, and architecture (annual growth of 2.7 per cent in the same year). However, the exports of all creative services categories have increased since the

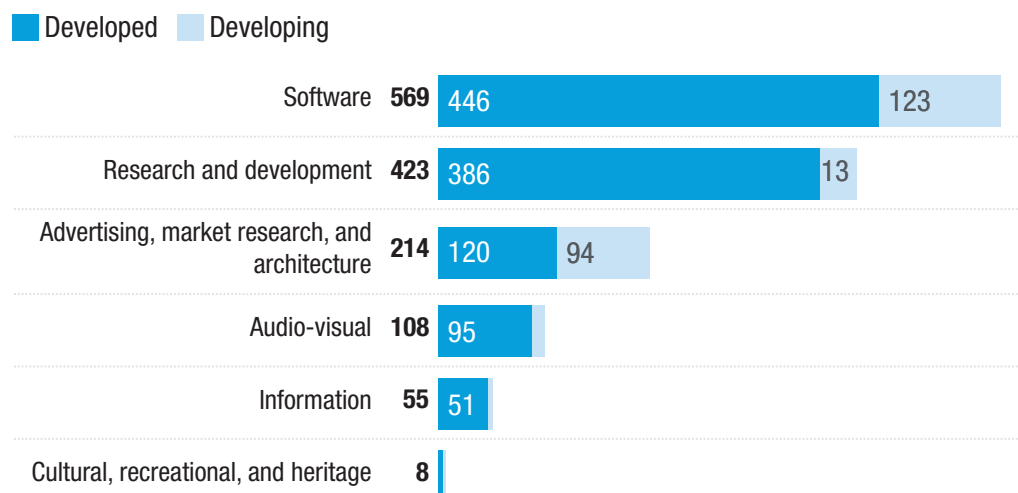
pandemic. In 2022, the fastest growing services export markets were those of cultural, recreational, and heritage services (13.2 per cent annual growth), information (11.9 per cent), and audiovisual services (6.7 per cent), followed by software services (3.4 per cent), advertising, market research, and architecture (2.5 per cent), and research and development (0.2 per cent).

Developed countries dominate exports in all services categories and export different services categories compared to developing economies (see Figure 21). For example, developed countries account for 93 per cent of global information services exports, 91 per cent of research and development (involving significant exports of licenses), and 88 per cent of audiovisual services.





Figure 21
Developed and developing economies' creative services exports by product groups
(2022, US\$ billion)



Source: UNCTAD.

B. Creative goods

UNCTAD measures international trade in creative goods based on the Harmonized System (HS) using official data reported to the United Nations COMTRADE Database. As explained in Annex I, UNCTAD has recently reviewed and updated the coverage of its list of creative goods and updated the structure of presenting the data. According to the 2022 version of the HS, there are 230 creative goods identified at the HS 6-digit level that fall under the following sub-categories:

- Audiovisual, multimedia and photography
- Crafts and design goods are further divided into the following sub-categories:
 - Carpets
 - Fashion accessories
 - Interior
 - Jewellery
 - Toys
 - Wickerware
 - Yarn

- Books and publishing
- Music, performing and visual arts
- Architecture
- Software, video games and recorded media
- Cultural and natural heritage

1. Creative goods exports

Growth

Creative goods exports were hit much harder by the COVID-19 pandemic than other merchandise, due to lockdowns and lack of physical exchanges. In 2020, they were down by 12.5 per cent, while exports of all goods fell by 7.2 per cent. However, creative goods had a strong recovery in 2021. In 2022, creative goods exports' growth slowed to 3.1 per cent, much below the 11.5 per cent growth rate of total goods exports in the same year (see Figure 22).

In 2022, among the significant creative goods exporters, the countries registering the highest growth rates included the United Arab Emirates (24.8 per cent),





Figure 22

Annual growth rate of total goods versus creative goods exports

(Percentage)



Source: UNCTAD.

Indonesia (22.5 per cent), Viet Nam (20.7 per cent), Switzerland (16.1 per cent), and the United States of America (15.6 per cent). The growth of creative goods exports in China dropped to 4 per cent in 2022 after a substantial increase of 38.3 per cent in 2021.

Regional trends

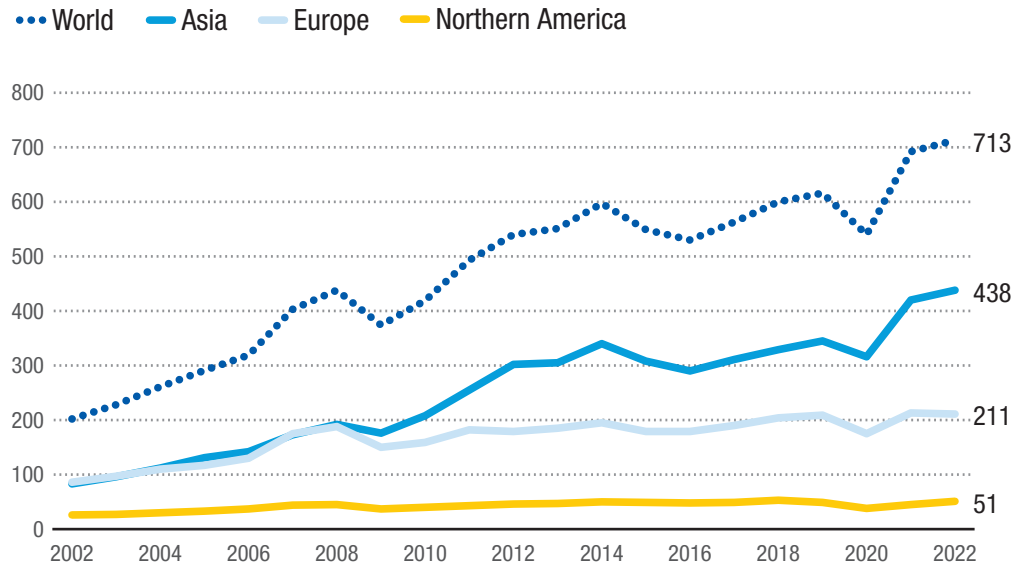
Creative industries make a significant contribution to international trade in goods. World creative goods exports increased from US\$ 208 billion in 2002 to US\$ 713 billion in 2022. Asia is the largest exporter of creative goods (with the exports of creative goods amounting to US\$ 438 billion in 2022), followed by Europe (US\$ 211 billion) and Northern America (US\$ 51 billion). China continues to drive Asia's creative goods exports, as the country alone accounted for 35 per cent of global creative goods exports in 2022. Latin America and the Caribbean (with creative goods exports amounting to US\$ 8 billion in 2022), Africa (US\$ 2.4 billion) and Oceania (US\$ 1.6 billion) export much less compared to other regions.

Developing economies export more creative goods than developed economies (see Figure 24). In 2022, the five largest developing economy exporters of creative goods were China, Hong Kong (China), India, the United Arab Emirates, and Türkiye. The five largest developed economy exporters were the United States of America, Italy, France, Germany, and the Republic of Korea.

The creative economy could provide a feasible option for sustainable development and structural transformation for least developed countries (LDCs). There are only a few Asian and African LDCs registering significant trade in creative goods, although they have increased their exports of creative goods in the past decades. In 2022, creative goods exports by LDCs reached US\$ 2.9 billion (see Figure 25). LDCs in Asia, particularly Cambodia and Myanmar, stand out in the trade of creative goods, accounting for almost 90 per cent of LDCs' total creative goods export. They mainly export fashion accessories to developed economies.

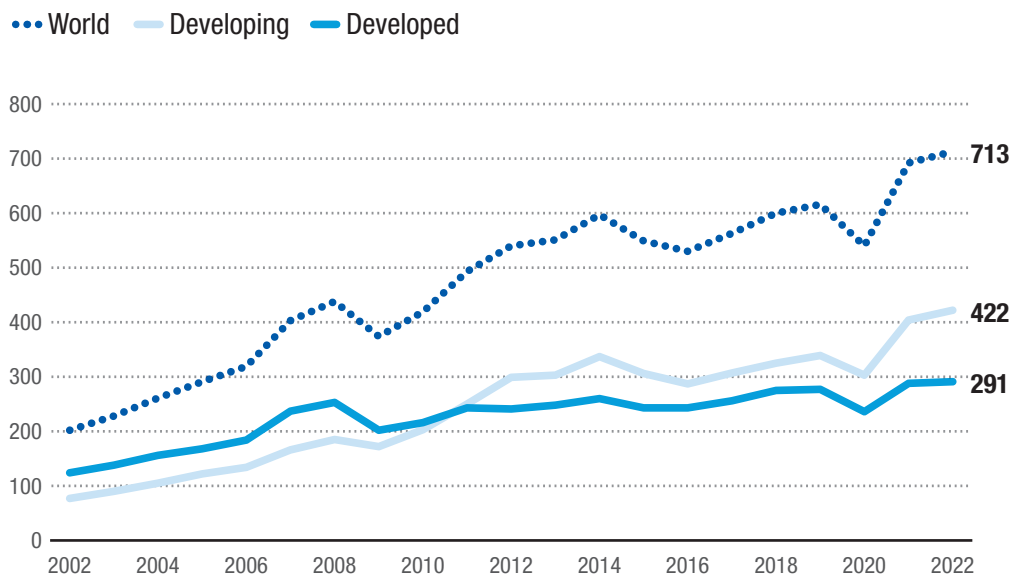


Figure 23
Exports of all creative goods by region
(US\$ billion)



Source: UNCTAD.

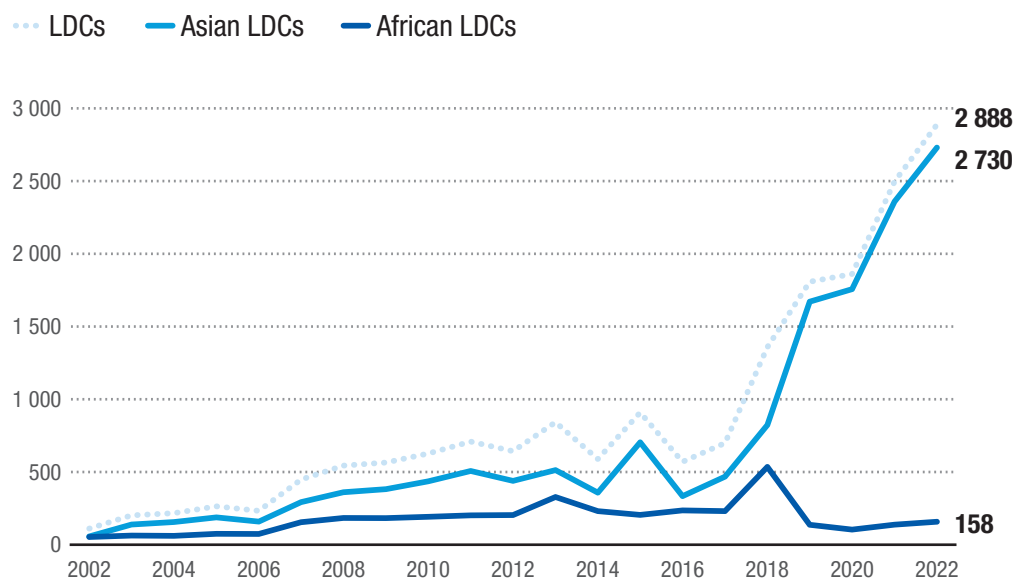
Figure 24
Exports of all creative goods by developing and developed economies
(US\$ billion)



Source: UNCTAD.



Figure 25
Exports of all creative goods by least developed countries
(US\$ million)



Source: UNCTAD.

Major exporters

A small group of countries accounts for over two-thirds of global creative goods exports. As in previous years, in 2022, China was by far the largest exporter of creative goods (US\$ 250 billion), followed by the United States of America (US\$ 46 billion) and Italy (US\$ 39 billion). The list of the world's ten leading exporters of creative goods in 2020 includes five economies from Asia, four from Europe, and one from Northern America (see Figure 26). The list of top ten exporters did not change significantly compared to previous years. In 2022, Vietnam left the top ten list, while the United Arab Emirates joined.

Table 5 and Table 6 list the top ten exporters of creative goods from developed and developing economies in 2022 with the main exported product groups. The table also shows the relative importance of creative goods exports for these countries. Among most developed countries, the

relative importance of creative goods exports is more significant than the global average. Moreover, among developing countries, creative goods exports in China, Hong Kong (China), India, and Türkiye represent more than 5 per cent of total merchandise exports. Among developing countries, Asian economies dominate creative goods exports, highlighting the challenges of African countries and LDCs in increasing their participation in global trade and diversifying their exports, as many heavily rely on commodity exports (UNCTAD, 2023a).

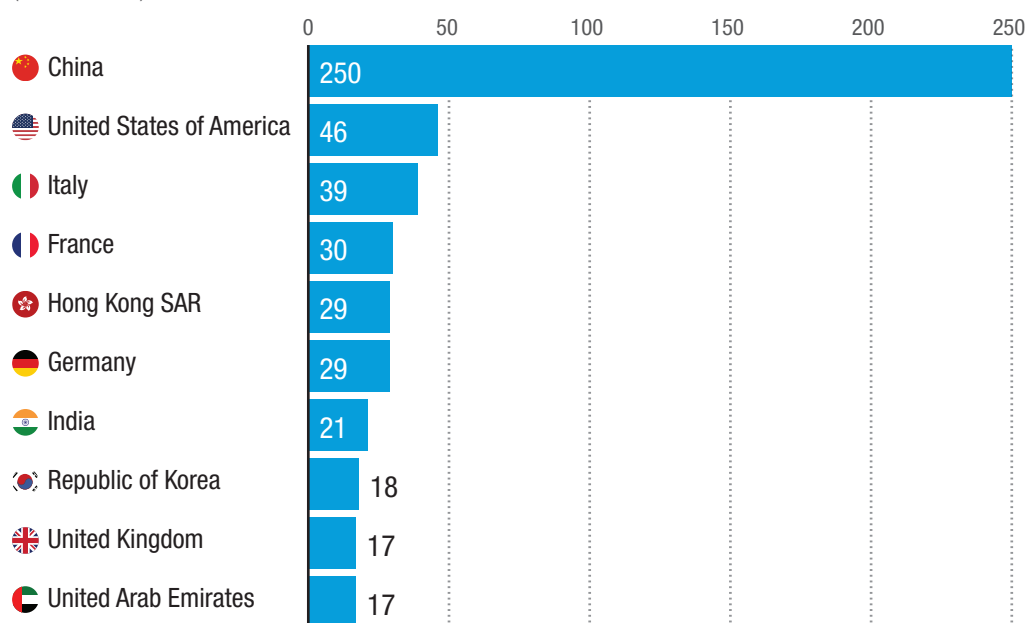
South-South trade in creative goods has been increasing in the past decades. However, it represented only 25 per cent of total creative goods exports in 2022. This is almost the same as the share of South-South trade in all products, which was 24.6 per cent in 2022. South-North and North-North exports accounted for 34 per cent and 31 per cent, respectively.





Figure 26
Top ten exporters of creative goods in 2022

(US\$ billion)



Source: UNCTAD.

Main exported products

Figure 27 shows global creative goods exports by product groups according to the new UNCTAD product structure. Crafts and design goods largely dominate creative goods exports. In 2022, crafts and design goods accounted for 75.6 per cent of total creative goods exports, followed by software, video games and recorded media goods (14.1 per cent), music, performing and visual arts-related goods (4.7 per cent), and books and publishing products (3.7 per cent). Figure 28 breaks down the crafts and design goods exports into further sub-categories. Interior design products account for 30.3 per cent of total exports in this category, jewellery for 25 per cent, fashion accessories for an additional 21.9 per cent, and toys for 15.1 per cent.

While crafts and design goods and software, video games and recorded media products are the most exported creative goods in developed and developing economies, they export slightly different product groups. Developed economies dominate the exports of books and publishing products (with 75 per cent of global exports), music, performing and visual arts-related goods (70 per cent), and cultural and natural heritage products (77 per cent). Meanwhile, developing economies dominate the exports of all crafts and design goods (i.e., interior, jewellery, fashion accessories, toys, yarn), software, video games and recorded media products (see Figure 29).





Table 5
Developed economies: top ten creative goods exporters in 2022

	Developed economies	Main exported product groups (percentage share from total)	Exports of creative goods (US\$ billion)	Share from world exports of creative goods (percentage)	Share of creative goods from country's total exports (percentage)
1	United States	Jewellery (22.5) Music, performing and visual arts (20.9) Software, video games and recorded media (20.1)	45.6	6.4	2.2
2	Italy	Fashion accessories (45) Jewellery (26.6)	38.7	5.4	5.9
3	France	Fashion accessories (45) Jewellery (22.7)	30.2	4.2	4.9
4	Germany	Interior (32.1) Software, video games, recorded media (12.8) Fashion accessories (11.8)	29.2	4.1	1.8
5	Republic of Korea	Software, video games, recorded media (78.5)	18.2	2.6	2.7
6	United Kingdom	Music, performing and visual arts (20.4) Jewellery (19.9) Books and publishing (15.1)	17.4	2.4	3.3
7	Switzerland	Jewellery (74.5)	17.0	2.4	4.2
8	Netherlands	Interior (25.2) Fashion accessories (19) Toys (14.9)	13.7	1.9	1.4
9	Poland	Interior (47.4) Books and publishing (15.8) Software, video games, recorded media (13.7)	13.5	1.9	3.7
10	Japan	Software, video games, recorded media (44) Jewellery (14.1) Music, performing and visual arts (11.4)	8.3	1.2	1.1
Total			231.8	32.5	

Source: UNCTAD.

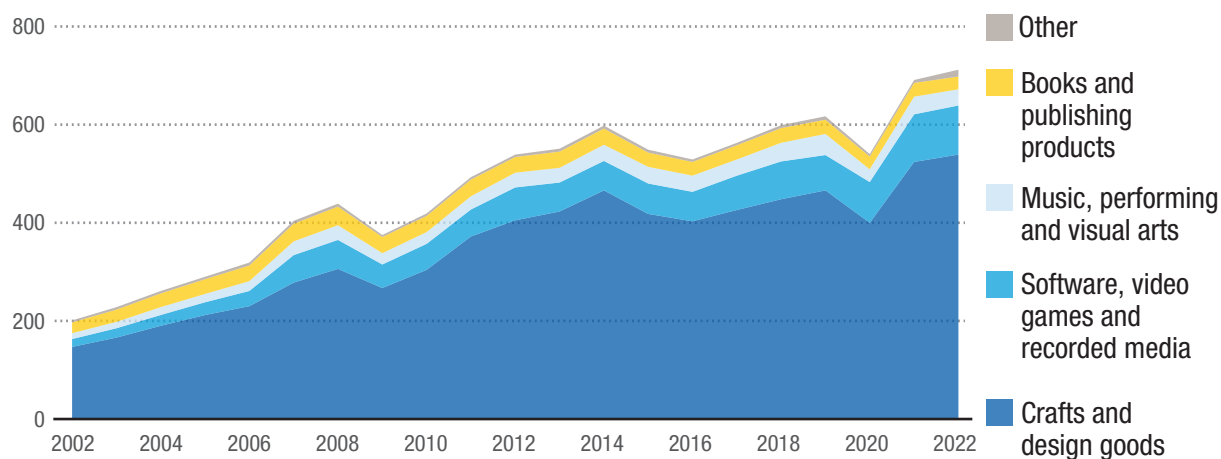


Table 6
Developing economies: top ten creative goods exporters in 2022

	Developing economies	Main exported product groups (percentage share from total)	Exports of creative goods (US\$ billion)	Share from world exports of creative goods (percentage)	Share of creative goods from country's total exports (percentage)
1	 China	Interior (32.7) Toys (20.6) Fashion accessories (19.2)	249.9	35.0	7.0
2	 Hong Kong SAR	Jewellery (34.1) Software, video games and recorded media (22.2) Fashion accessories (13)	29.3	4.1	4.8
3	 India	Jewellery (59.6) Fashion accessories (12.8)	21.0	2.9	4.6
4	 United Arab Emirates	Jewellery (76.6)	17.4	2.4	3.3
5	 Türkiye	Jewellery (51.9) Carpets (17.7)	15.9	2.2	6.3
6	 Viet Nam	Interior (43.2) Fashion accessories (22.6) Toys (11.3)	15.9	2.2	4.3
7	 Taiwan Province of China	Software, video games, recorded media (66.4) Yarn (10.7)	13.3	1.9	2.8
8	 Malaysia	Software, video games and recorded media (62) Interior (19.4) Jewellery (11.8)	12.5	1.7	3.5
9	 Singapore	Software, video games and recorded media (43.5) Jewellery (31.3) Fashion accessories (14.7)	11.8	1.7	2.3
10	 Indonesia	Jewellery (44.9) Interior (21.7) Fashion accessories (13.7)	8.5	1.2	2.9
	Total		395.4	55.5	

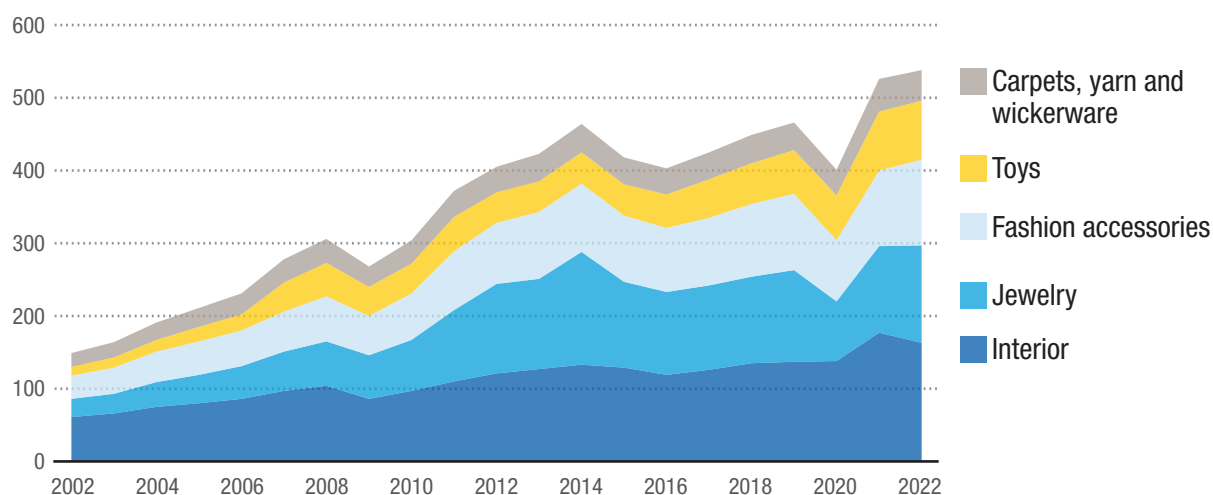
Source: UNCTAD.

Figure 27
World creative goods exports by product groups
 (US\$ billion)



Source: UNCTAD.

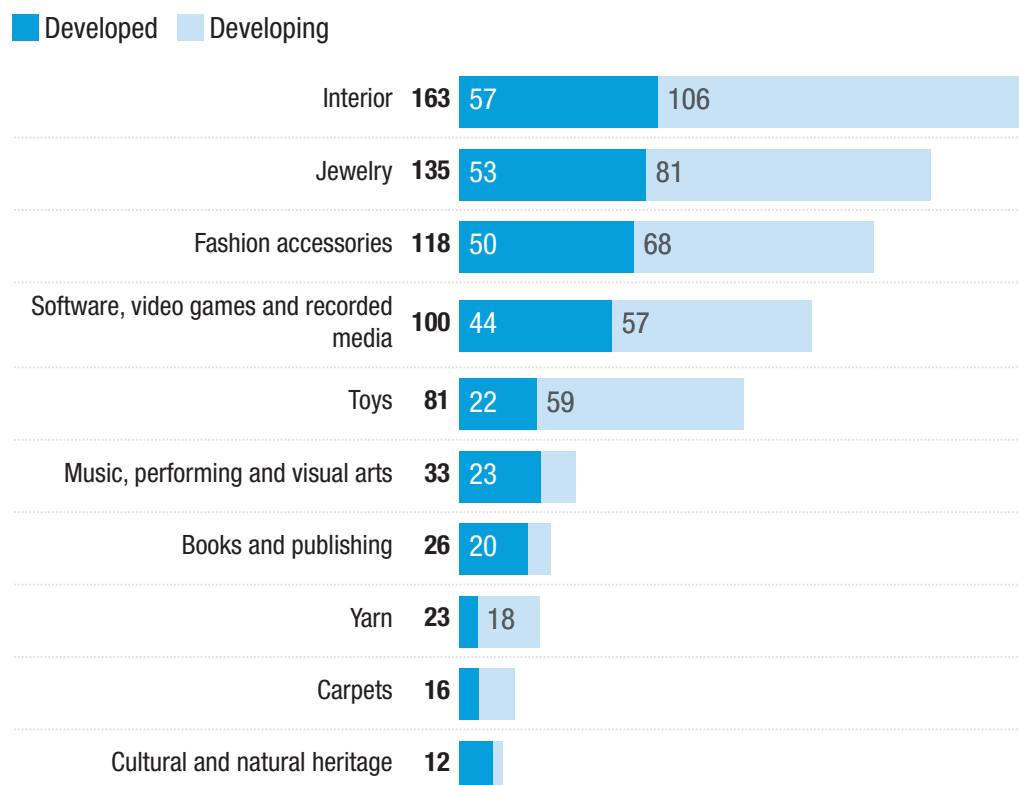
Figure 28
World exports of crafts and design goods by product groups
 (US\$ billion)



Source: UNCTAD.



Figure 29
Developed and developing economies' creative goods exports by product groups
(2022, US\$ billion)



Source: UNCTAD.

2. Creative goods imports⁵

Regional trends

Europe is the largest importer of creative goods (with the imports of creative goods amounting to US\$ 212 billion in 2022), followed by Asia (US\$ 193 billion), Northern America (US\$ 181 billion), Latin America and the Caribbean (US\$ 23 billion), Oceania (US\$ 14 billion), and Africa (US\$ 6 billion) (see Figure 30). Developed economies import more creative goods than developing ones (see Figure 31).

Major importers

The world's ten largest importers of creative goods account for almost two-thirds (63 per cent) of global imports of creative goods. In 2022, the United States of America was by far the largest importer of creative goods (US\$ 164 billion), followed by Hong Kong (China) (US\$ 40 billion) and Germany (US\$ 33 billion). The list of the world's ten leading importers of creative goods in 2022 includes four economies from Europe, four from Asia, and two from Northern America (see Figure 32).

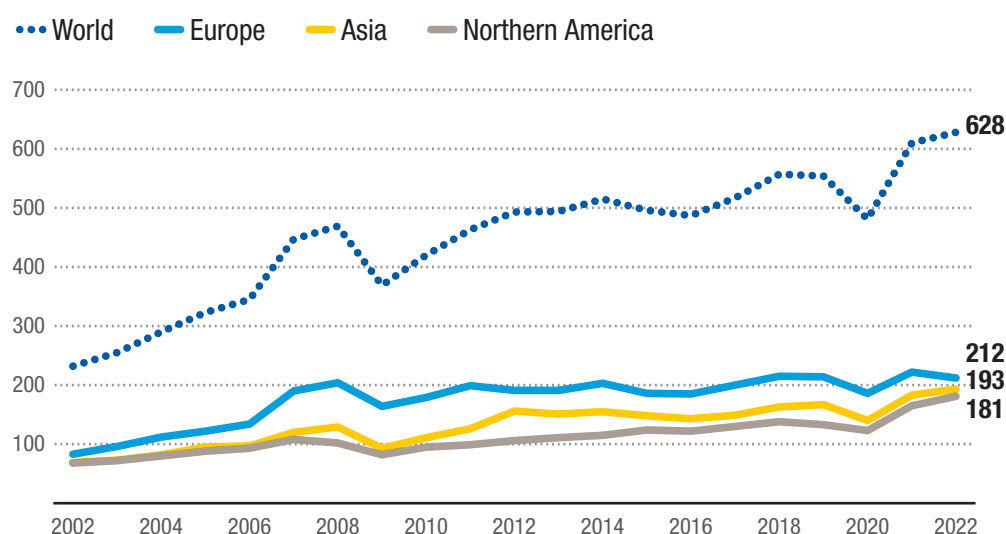
⁵ Note that global creative goods exports (US\$ 713 billion in 2022) and imports (US\$ 628 billion) are not equal due to bilateral trade asymmetries. Trade asymmetries are caused by countries applying different criteria of partner attribution in export and import statistics, using different trade systems in data compilation, and the use of different valuation methods for exports and imports. For more information see <https://unstats.un.org/wiki/display/comtrade/Bilateral+asymmetries>.





Figure 30
Imports of all creative goods by region

(US\$ billion)

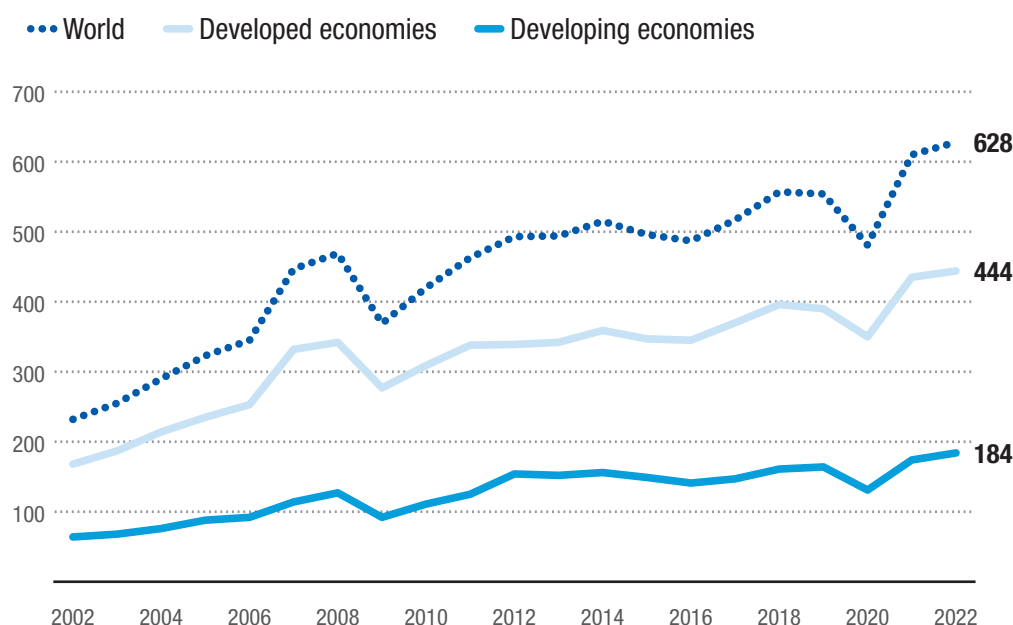


Source: UNCTAD.



Figure 31
Imports of all creative goods by developing and developed economies

(US\$ billion)



Source: UNCTAD.

In addition, Table 7 and Table 8 list the top ten importers of creative goods from developed and developing economies in 2022. It is worth noting that in Kuwait, creative imports represented an outstanding

24 per cent of the country's total imports in 2022. The country imported jewellery worth US\$ 4.3 billion that year, accounting for 55 per cent of imported creative goods.

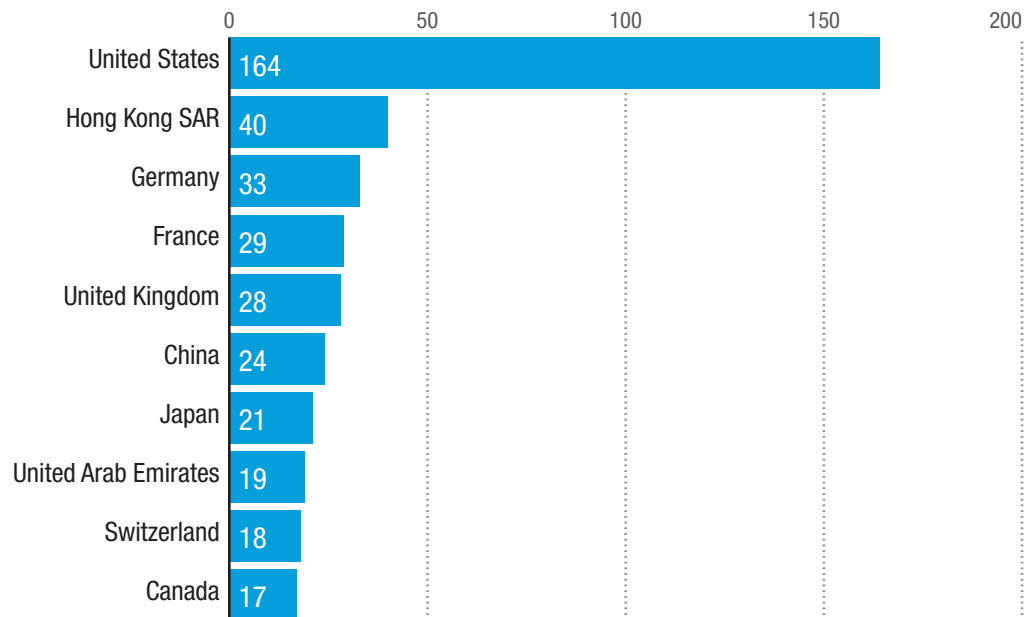




Figure 32

Top ten importers of creative goods in 2022

(US\$ billion)



Source: UNCTAD.



Table 7

Developed economies: top ten creative goods importers in 2022

	Developed economies	Imports of creative goods (US\$ billion)	Share from world imports of creative goods (percentage)	Share of creative goods from country's total imports (percentage)
1	United States	163.8	26.1	4.9
2	Germany	33.5	5.3	2.1
3	France	28.8	4.6	3.5
4	United Kingdom	28.2	4.5	3.4
5	Japan	21.1	3.4	2.4
6	Switzerland	18.1	2.9	5.1
7	Canada	16.7	2.7	2.9
8	Netherlands	15.5	2.5	1.7
9	Italy	15.0	2.4	2.2
10	Republic of Korea	13.9	2.2	1.9
	Total	354.5	56.4	

Source: UNCTAD.





Table 8
Developing economies: top ten creative goods importers in 2022

	Developing economies	Imports of creative goods (US\$ billion)	Share from world imports of creative goods (percentage)	Share of creative goods from country's total imports (percentage)
1	 Hong Kong SAR	40.5	6.4	6.1
2	 China	24.2	3.9	0.9
3	 United Arab Emirates	19.5	3.1	4.6
4	 Singapore	12.9	2.0	2.7
5	 Mexico	10.0	1.6	1.6
6	 Kuwait	7.8	1.2	24.0
7	 Taiwan Province of China	7.0	1.1	1.6
8	 Thailand	6.8	1.1	2.2
9	 India	5.6	0.9	0.8
10	 Malaysia	5.0	0.8	1.7
	Total	139.0	22.1	

Source: UNCTAD.

C. Export promotion strategies

Each country's approach to promoting creative exports reflects its unique cultural assets, competitive advantages, and

economic development goals. 25 out of the 36 countries that participated in the UNCTAD survey on the creative economy indicated the existence of export promotion priorities and initiatives for creative goods and services.



Box 1 Examples of export promotion priorities and initiatives for creative goods and services

Antigua and Barbuda, prioritizes the music industry alongside increasing the external promotion of visual arts, festivals, events, handicrafts, and food through collaborations between the Ministry of Education, Sports, and the Creative Industries and the Ministry of Tourism. An initiative with the National Authorizing Office focuses on export-ready small businesses within the creative industries.

Cambodia identifies its culture-based creative economy as a significant contributor to economic development, mainly cultural tourism. The government aims to leverage its rich cultural heritage and traditional knowledge for export.

China promotes international cultural trade by issuing the so-called "Opinions" by ministries and commissions. The "Opinions on Promoting High-quality Development



of Foreign Cultural Trade” is a recent policy document focusing on developing digital cultural trade; expanding the export of publications and copyrights; exporting radio, film and television programs; export expansion of fine arts and arts; and promoting export of cultural creativity and design services. It also proposes to encourage the export of Chinese cuisine, traditional Chinese medicine, Chinese gardens, traditional clothing, and traditional sports represented by Chinese martial arts and Go. China attaches great importance to developing “national cultural export bases” which have the advantages of industrial agglomeration, platform and scale.

Costa Rica focuses on the audiovisual services industry (especially foreign filming services in Costa Rica and the development of animation and video games), the intellectual property industry, and the promotion of advertising and digital marketing under the export promotion agency PROCOMER and the Costa Rican Film Commission.

The music industry and cultural tourism are the key focus of cultural export and tourism promotion in **Cuba**.

The National Strategy for the Export of Modern Services of the **Dominican Republic** prioritizes promoting services such as music, film, design, and video games. The country benefits from technical assistance from WIPO to promote intellectual property in creative industries as a source of funding for small and medium enterprises (SMEs). In addition, a Creative Directory, a digital platform where professionals and companies dedicated to cultural and creative activities can circulate and promote their services, has also been established.

Guatemala has an Orange Economy Commission within its exporters’ association (AGEXPORT), collaborating with government entities to promote exports in the creative sector.

Indonesia aims to promote its cuisine globally through the Indonesia Spice Up the World program, focusing on culinary export promotion and investment in local spices and herbs.

Jamaica focuses on the film and animation industries with initiatives like Propella, Film Lab, ExportMax, and the Caribbean Animation Business Model for export promotion.

Japan supports exporting its creative products overseas by helping to overcome language and cultural barriers through the Ministry of Economy, Trade and Industry.

Malaysia and **Mauritius** both prioritize the film industry, with Mauritius implementing the Film Rebate Scheme to attract foreign film production and promote local artists through the Mauritius Expo Virtual Platform.

Mozambique focuses on the export promotion of handicrafts by SMEs.

Nigeria prioritizes the media and entertainment industry, which is considered to have a great export potential.

Oman has been empowering Omani frankincense producers through a geographical indication project in collaboration with WIPO, aiming to enhance its marketability globally.

Peru focuses on the video game sector as the most potential creative service for exports.

The priority of the Philippines is creative tourism, leveraging local culture, arts, and heritage to attract tourists.

The **Republic of Korea** conducts multiple export promotion initiatives across various content creating industries through the Korea Creative Content Agency (KOCCA).

Seychelles aims to promote visual arts and crafts alongside ICT ventures for export markets as part of its industrial policy.

Slovenia focuses on supporting internationalization in creative and innovative products and services like design, architecture, and audiovisual services with the Ministry of Culture guiding the development of the creative economy.

South Africa identified the audiovisual media industry as a significant beneficiary of state incentives and investment, focusing on content development and services export.



Sri Lanka supports exporters through the Export Development Board which conducts market research and maintains close rapport with potential exporters. Through its educational programs, the Academy of Design promotes specific creative industries, providing study programs in fashion and textile design, motion graphics, animation, interior design and more.

Trinidad and Tobago identified music, film, and fashion as critical industries for export promotion, implementing various initiatives (i.e., Steelpan Manufacturing Grant Fund Facility, Fashion Value Chain Investment Programme, or the Ultra Bespoke Tailoring Programme) to support these sectors through the Trade and Investment Promotion Agency.

The Creative Industries Sector Vision of the **United Kingdom of Great Britain and Northern Ireland** sets a goal for creative businesses to grow their exports, with initiatives from the Department for Trade and Business (DBT) and the Department for Culture, Media and Sport (DMCS), including the Music Export Growth Scheme, creative industries trade missions, and the Creative Industries Faculty of DBT's Export Academy.

The government of **Uzbekistan** pays particular attention to the export of the following creative goods and services: software, cultural-historical heritage and crafts, jewellery, textiles, and cinematography. Its National Legislation Database lists various resolutions that detail national measures to strengthen support for and stimulate the export of the related creative industries. For example, in 2018, Uzbekistan implemented a program that promoted domestic creative products abroad under the national brand "Made in Uzbekistan" through both national and international exhibitions.

Source: 2024 UNCTAD survey on the creative economy.

D. Barriers to trade in creative goods and services

1. Barriers to trade in creative services

Creative services are increasingly significant contributors to global services exports, primarily dominated by developed economies due to their advanced human capital, skills, and digital infrastructure. The world's largest exporters of creative services, including both developed and developing economies, have abundant human capital and skills and possess sufficient digital infrastructure (see Table 9).

Despite the increasing importance of services, services trade, including creative services, continues to face important trade costs and restrictions. The WTO estimates that trade costs in services (comparing costs of supplying services domestically versus internationally) are significantly higher than trading manufactured goods (WTO,

2023b). Significant variations within the services sector exist, with digitally delivered services costing more than transportation or distribution services. The cross-border trade of digitally delivered services still implies costs such as regulatory barriers or costs to overcome geographical, cultural, and institutional differences.

However, according to the WTO, the trade costs of digitally delivered services, including creative services such as entertainment, declined by 14 per cent between 1996 and 2018, much more than other services (WTO, 2023).

The analysis of services trade restrictiveness highlights that barriers to services trade have significant variations across sectors, modes of supply, regions, and levels of development. This is because some countries may apply restrictions to key strategic services to develop domestic industries or preserve cultural heritage, especially in the case of some creative services. The Services Trade Restrictiveness Index (STRI) of the Organisation for Economic Co-operation and Development





Table 9
Skills and digital infrastructure in major creative service exporter economies

Economy	Share of creative services from country's total services exports (percentage, 2022)	World Bank Human Capital Index (value, 2020)	Mean years of schooling (years, 2021)	Share of individuals using the Internet (percentage, 2021 or 2022)	Share of individuals with an account (percentage, 2021)
Ireland	65.1	0.8	11.6	95	100
Israel	36.5	0.7	13.3	90	93
Sweden	33.7	0.8	12.6	95	100
Japan	32.1	0.8	13.4	83	98
Romania	28.4	0.6	11.3	86	69
United States	26.3	0.7	13.7	92	95
Finland	26.0	0.8	12.9	93	100
Canada	23.6	0.8	13.8	93	100
Switzerland	22.9	0.8	13.9	96	99
Singapore	22.5	0.9	11.9	96	98
Ukraine	22.5	0.6	11.1	79	84
Bulgaria	22.0	0.6	11.4	79	84
Netherlands	19.7	0.8	12.6	93	100
New Zealand	19.5	0.8	12.9	96	99
Germany	19.1	0.8	14.1	92	100

Source: UNCTAD, based on UNDP (2023) and World Bank (2020).

Note: The Human Capital Index brings together measures of different dimensions of human capital: health and the quantity and quality of schooling. It captures the expected productivity of a child born today as a future worker relative to a benchmark of complete education and full health (which gives the maximum value of 1). Individuals with an account refers to account ownership at a financial institution or a mobile money service provider (percentage of population ages 15+).

(OECD) covers 50 countries (34 developed and 16 developing) and 22 services sectors, including a few creative services.

As shown in Figure 33, the OECD's Services Trade Restrictiveness Index for 2023 indicates that services sectors like broadcasting (0.298) are more restricted than the average of all industries (0.241), while architecture (0.206), computer services (0.199), motion picture (0.195) and sound recording (0.194) are among the least restricted services (OECD, 2023). There was a slight increase in restrictions for creative services trade in 2020, and the average STRI score for creative services has still not returned to pre-COVID-19 levels as of 2023.

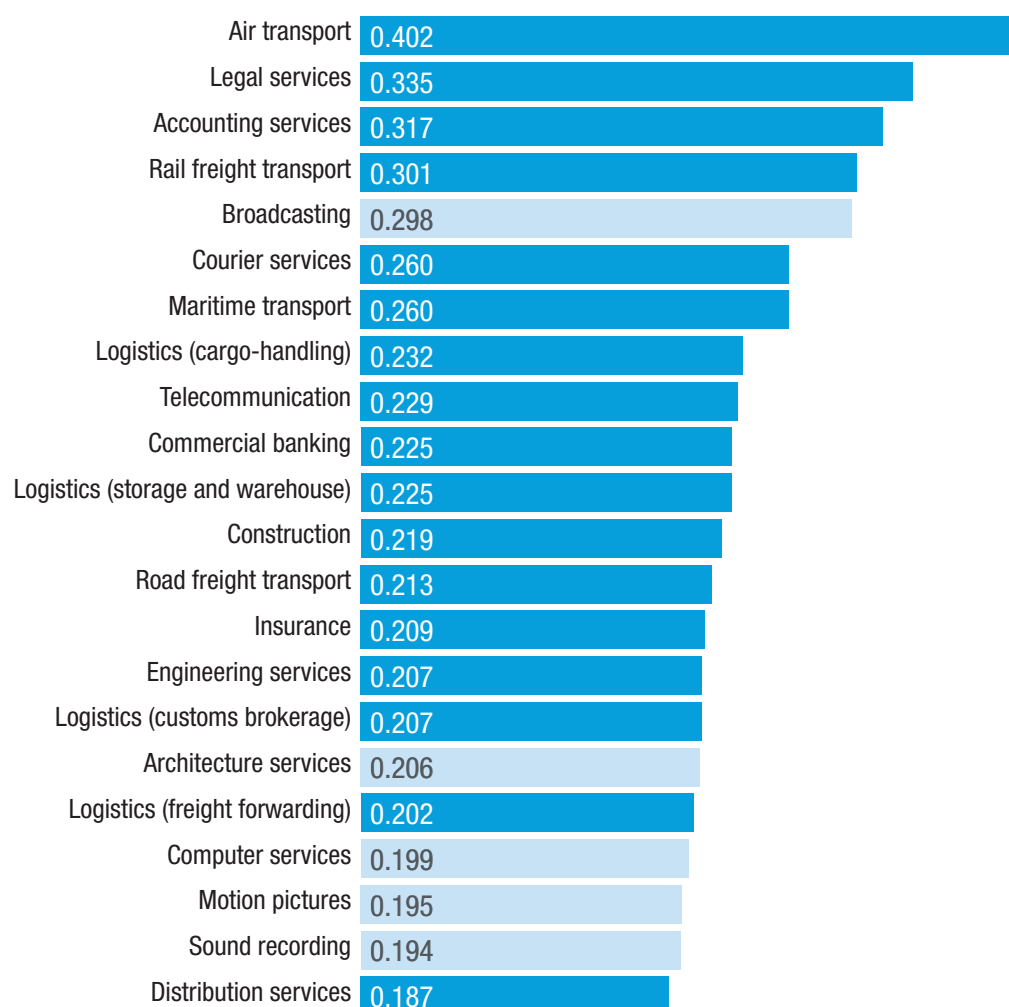
Developing economies tend to have more restrictive services trade policies, including for creative services, than developed economies, suggesting that they are more cautious about opening their markets for services considered strategic or key to preserving cultural heritage. Regarding broadcasting services, for example, China, Colombia, Mexico and Peru have much higher scores (STRI scores over 0.6) than other countries. China also stands out in stricter restrictions for motion picture services and sound recording (with an STRI score over 0.5). India and Thailand have more stringent policies (scoring over 0.4) for the architecture services trade than other countries (OECD, 2023).





Figure 33
Services trade restrictiveness by service category in 2023

(Average score)



Source: OECD STRI (2023)

Note: The value 0 indicates complete openness to trade and investment, while 1 indicates completely closed markets to foreign service providers.

Figure 34 further shows that restrictions on foreign entry are the most important barrier to trade in broadcasting and motion picture services, while restrictions on the movement of people are the most significant obstacle to trade in computer and architecture services.

The WTO's General Agreement on Trade in Services (GATS) promotes progressive liberalization of trade in services, including creative services, by establishing general obligations and specific commitments by members for market access and national treatment across various service sectors.

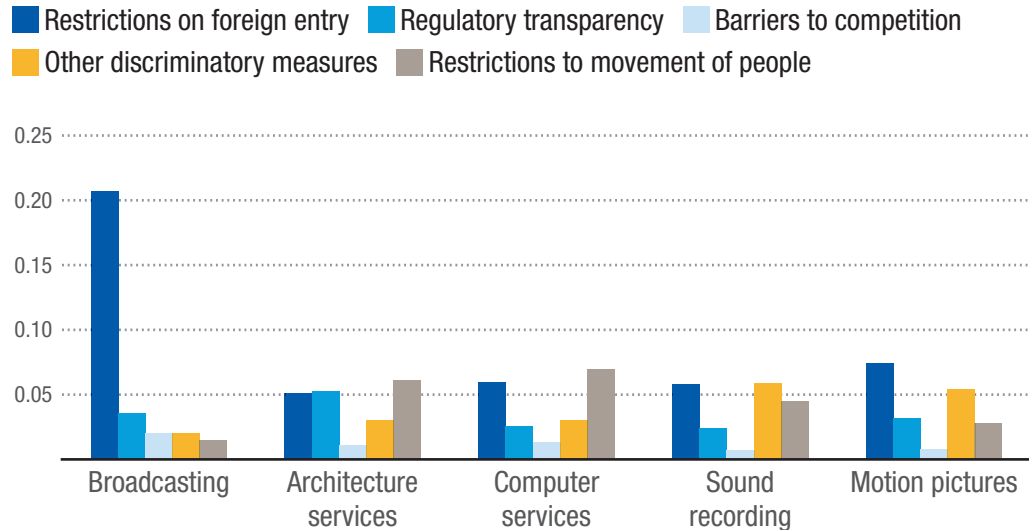
However, the extent of multilateral market opening in services, including creative services, has been limited, with few significant improvements in commitments since the Uruguay Round despite some progress in addressing domestic regulations affecting services recently. Sectoral commitments among WTO members vary, with developed countries typically making more commitments than developing ones. Creative services have seen sparse commitments (see Figure 35 and Figure 36), indicating a cautious approach





Figure 34
Policy component of STRI scores in creative services in 2023

(Average score)



Source: OECD STRI (2023)

Note: The value 0 indicates complete openness to trade and investment, while 1 indicates completely closed markets to foreign service providers.

adopted by countries towards liberalizing trade in this sector that lie at the interface of trade, culture and public services.

Addressing trade restrictions in the services sector requires adequately designing the content, pace, and sequence of measures and considering the risks, costs, and trade-offs that the trade liberalization efforts may entail for broader national regulatory objectives. For example, the benefits of liberalization may differ across the service sectors, and some creative services, like broadcasting and audiovisual services, can have a strong bearing on societal and cultural values (UNCTAD, 2017, 2019a). Countries can have different strategies when it comes to trade in movies, for example, as some countries may wish to preserve their own cultural heritage (Fazio, 2021). With the surge of digitally delivered creative services, especially in audiovisual services and music, it is essential that developing countries and their artists and creative entrepreneurs have the capacity and the institutional support to monetize trade in creative services and intellectual property rights (Nurse, 2020).

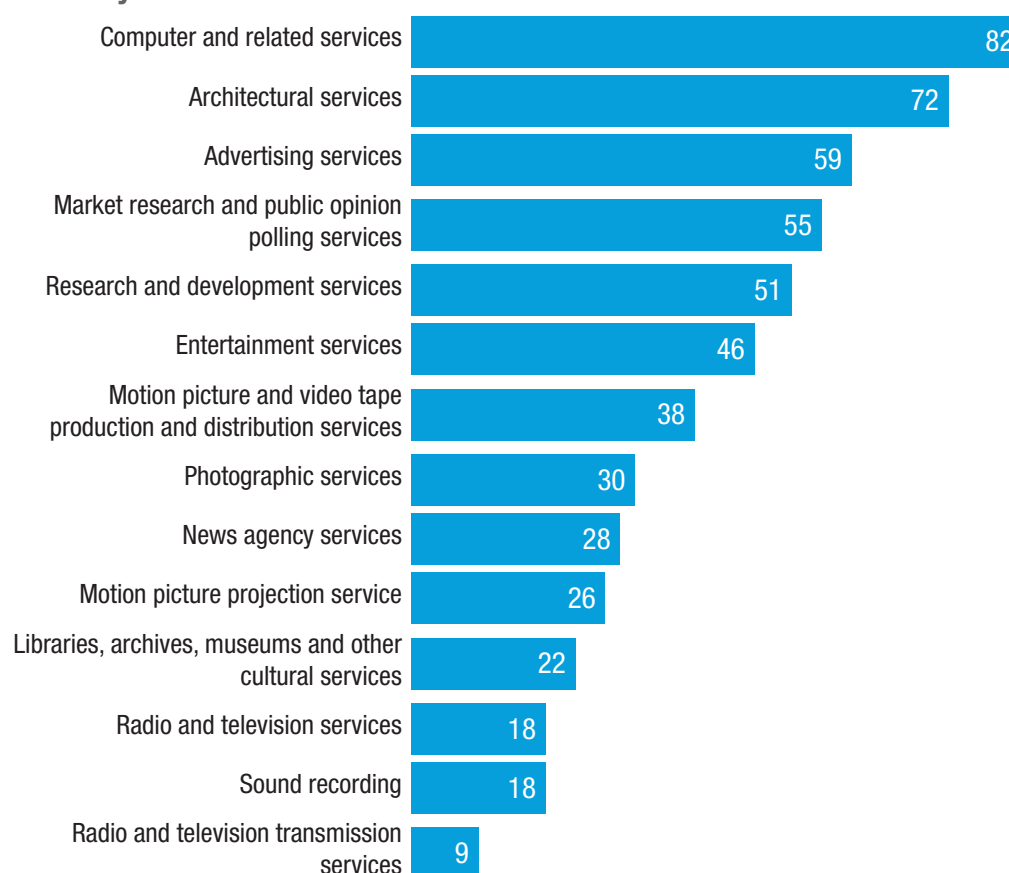
Therefore, it is important that developing economies put in place adequate regulatory and institutional frameworks.

Ongoing multilateral discussions on e-commerce will have implications for the future trajectory of trade in creative services. For instance, although there is ambiguity around the scope and coverage of “electronic transmissions” in the ongoing debate on the moratorium on customs duties on electronic transmissions (the “moratorium”) (WTO et al., 2023), some views suggest that “electronic transmissions” cover the transmission of software, e-books, digital music, movies, and video games (WTO, 2023c), among other digital economy products. Over 80 countries are engaged in discussions at the Joint Statement Initiative on Electronic Commerce. At the same time, regional trade agreements and digital partnership agreements increasingly address e-commerce and digitally delivered services, which might have a bearing on the future course of multilateral discussions (UNCTAD, 2021a). Whatever the outcome, the discussions at the WTO may have





Figure 35
Number of country commitments in services linked to the creative economy



Source: WTO

Note: The European Union is counted as one developed economy, representing twenty-five economies.

regulatory and trade policy implications for the digital economy and e-commerce, including digital creative services.

2. Barriers to trade in creative goods

Trade policies, encompassing tariff and non-tariff barriers (such as sanitary and phytosanitary measures and technical barriers), significantly influence global trade. Global average tariff rates were stable in the last decade. Nonetheless, the recent shift towards industrial strategies and climate change commitments reshapes trade policies, leading to a rise in tariffs and non-tariff measures in 2023 (UNCTAD,

2023g). Border measures affect trade costs, approximately 2 per cent for developed economies and 4 per cent for developing economies as of 2021 (UNCTAD, 2023b). Moreover, the costs to comply with non-tariff measures often surpass those associated with tariffs, highlighting the complex landscape of international trade regulation.

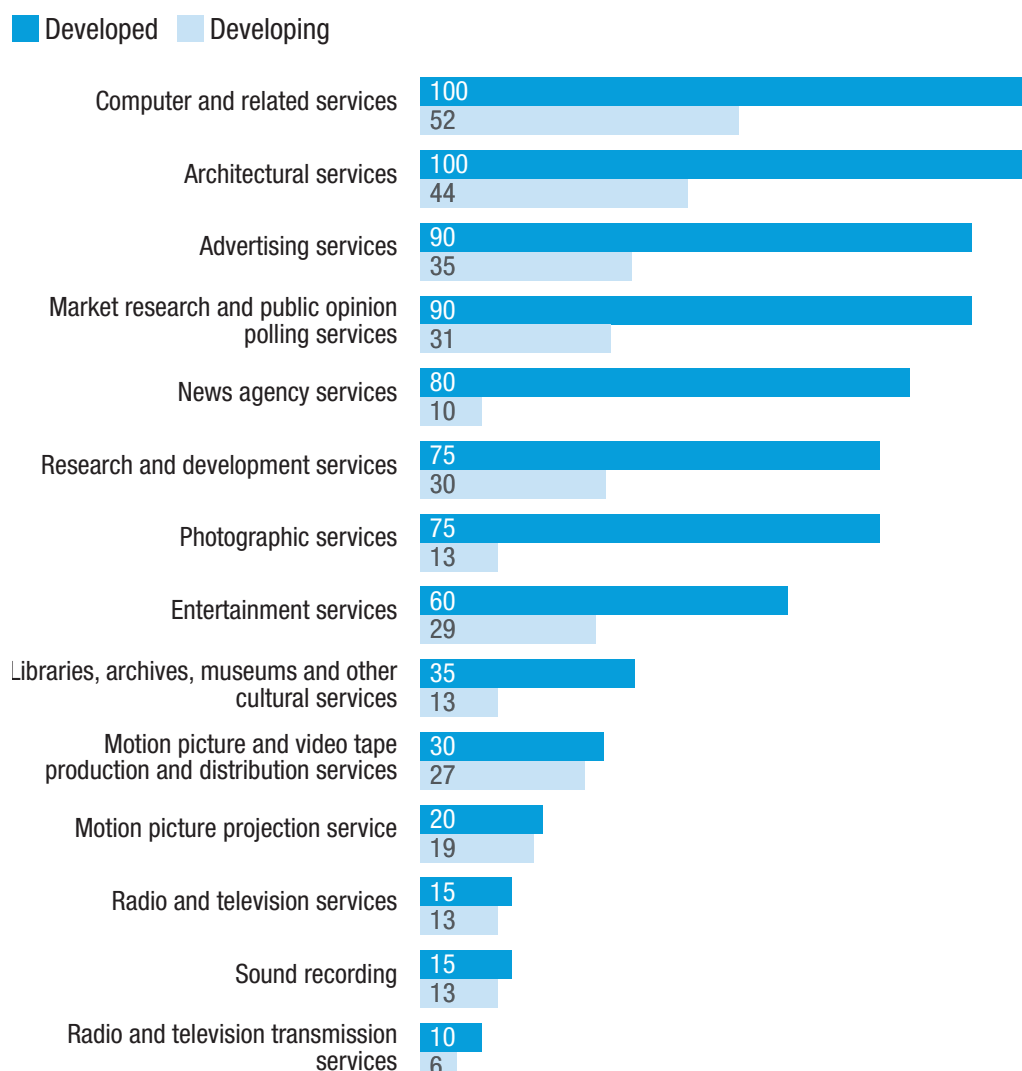
Global average tariff rates for creative goods slowly decreased since 2011. Average applied tariffs decreased by 2 percentage points between 2011 and 2021, while most-favoured nation (MFN) tariffs decreased by 1 percentage point over the same period (UNCTAD, 2024a). However, recent WTO data shows a slight increase in MFN tariffs for creative goods in 2023 (WTO, 2024).





Figure 36
Share of developed and developing economies with GATS commitments for creative services

(Percentage)



Source: WTO

In 2021, the average tariff imposed on international trade of creative goods (i.e., applied tariff) was 2.4 per cent in developed countries and a relatively high 9.9 per cent in developing countries. MFN tariffs are much higher than applied tariffs. The average MFN tariffs are 5.1 per cent for developed countries and 12.7 per cent for developing countries (see Figure 37). Average tariffs on creative goods tend to be higher than on all manufactured goods.

In 2021, average MFN tariffs were 10.8 per cent for creative goods compared to 6.3 per cent for the manufacturing sector (UNCTAD, 2024a, 2023c). This is because creative goods include several apparel and textile goods (i.e., carpets and fashion accessories) with particularly high tariffs.

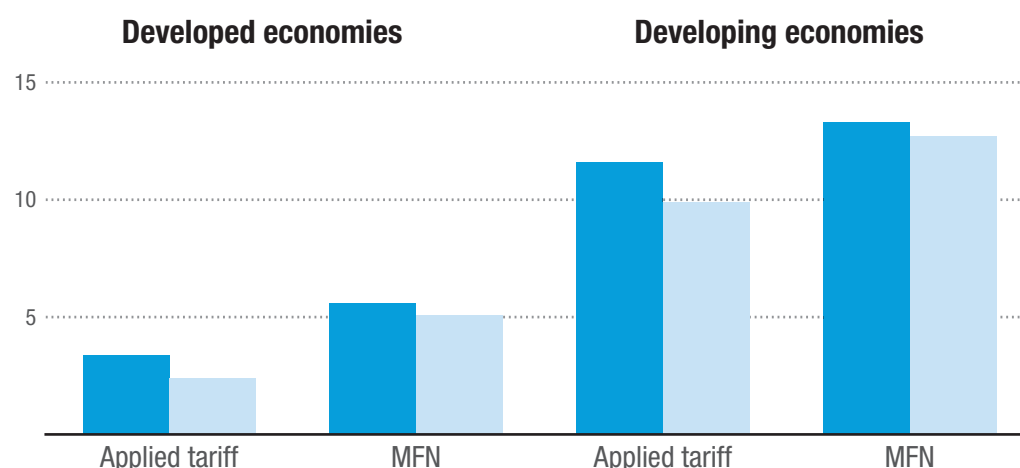
Both applied and MFN tariffs on creative goods exhibit significant variances across countries and products, with developing countries applying much higher tariffs for





Figure 37
Tariffs on creative goods
(Simple average tariff, percentage)

■ 2012 ■ 2021



Source: UNCTAD secretariat calculations based on UNCTAD TRAINS database.

all creative goods categories, especially for crafts and design (with average applied tariff rates of 11.3 per cent). In developed economies, crafts and design goods have the highest applied tariff rates (3 per cent), followed by audiovisual goods and goods related to music, performing and visual arts (see Figure 38).

In 2021, thirteen goods or less than 6 per cent of creative goods faced tariff peaks (i.e., applied tariff lines above 15 per cent). Most tariff peaks are concentrated in crafts and design goods (such as carpets, interior design goods and wickerware), on products of interest for developing countries. In addition, substantial tariffs also apply to a few recorded media products.

Non-tariff measures (NTM) encompass various policy measures aimed at multiple objectives. However, data about NTMs remain incomplete, preventing detailed comparative statistics between countries.

According to the UNCTAD TRAINS database, NTMs for creative goods were sparse before 2000. Countries started introducing NTMs in the early 2000s,

with a significant increase in measures in 2012-13. The number of new measures has been stable since. As of 2020 (latest available data), only ten countries (Argentina, Brazil, Chile, Colombia, Ecuador, Fiji, Mexico, Peru, United States of America, and Vanuatu) have introduced NTMs for creative goods. Most countries introducing NTMs are in Latin America, with Mexico imposing the most measures. Around 90 per cent of the measures affect all partner countries. The rest of the measures mainly affect China and Brazil.

Crafts and design goods are the most affected by NTMs, followed by cultural and natural heritage products (Figure 39).

Among the various types of non-tariff measures, contingent trade protective measures (accounting for 29 per cent of all NTMs), quantity control measures (20 per cent), and pre-shipment inspections (19 per cent) are the most relevant NTMs for creative goods. For world trade of all goods, technical barriers to trade, price control measures, and export measures are the most frequently applied (UNCTAD, 2023b).

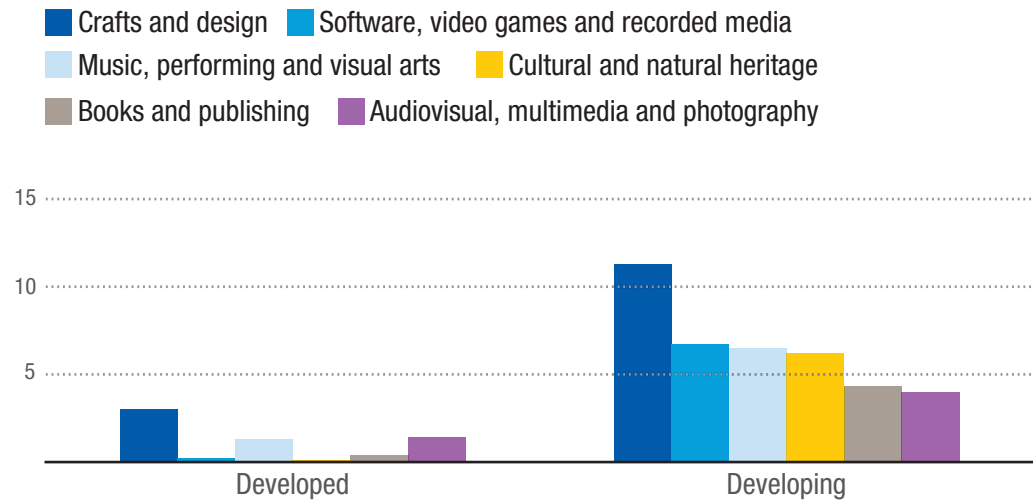




Figure 38

Applied tariffs by creative goods categories in 2021

(Simple average tariff, percentage)



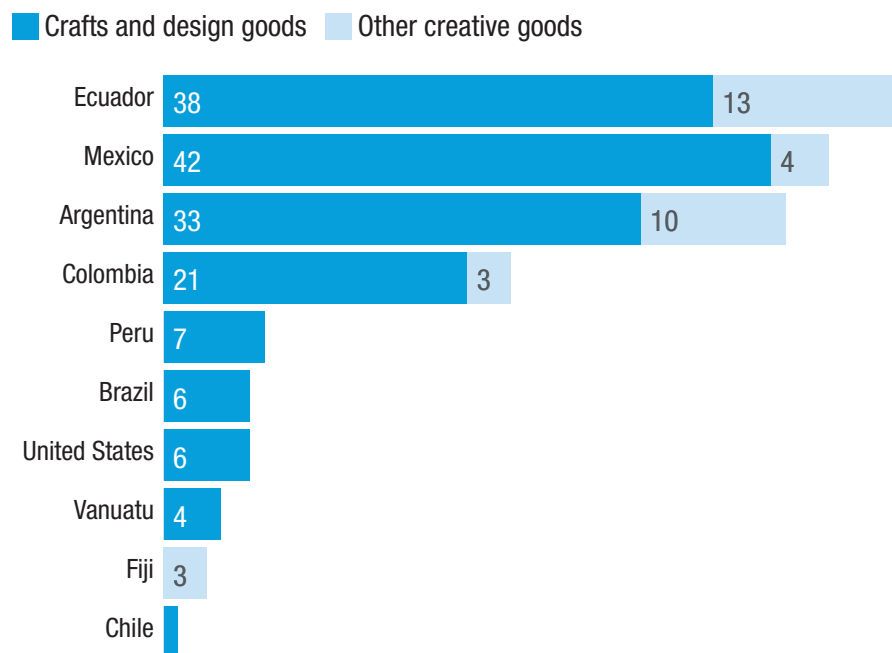
Source: UNCTAD secretariat calculations based on UNCTAD TRAINS database.



Figure 39

NTMs in creative trade as of 2020

(Number of HS 6-digit lines covered)



Source: UNCTAD secretariat calculations based on UNCTAD TRAINS database.