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Cultural and Creative Industries: Elements for a Cooperation Programme among Latin American and Caribbean Countries

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EXECUTIVE SUMMARY

Today it is a recognized fact that information, knowledge and creativity constitute the moving force *par excellence* of the world's economic growth in the 21st Century. Within this process, Latin America and the Caribbean have at their disposal immense cultural and human resources that could contribute substantially to placing them at higher levels of development and well-being, as has been the case in more developed nations. It must be acknowledged, however, that certain countries of the region, such as Brazil and Mexico, already show significant advances in this sector.

On an average, Cultural and Creative Industries (CCI) account for 7% of the world's GDP, and the trend is to continue to increase. In Latin America and the Caribbean (LAC) this figure ranges from 1.0% to 7.1%, although it should be pointed out that there are serious statistical limitations in this regard.

The countries of the Latin American and Caribbean region with a tradition in CCI achieve high levels of quality in the production chain, even counting with the presence of important partners in the entertainment and communication industries. For example, many Latin American motion picture films are successful in international events and are increasingly linked to co-production processes and business alliances with extra-regional counterparts. One might also mention soap operas, literature, music, crafts, software, multimedia and a broad range of sports and athletes.

Nonetheless, Latin America and the Caribbean in general is a heterogeneous region with enormous differences in production scales, dissemination modalities and conditions of access to and size of markets, depending on the countries, regions and socio-cultural national groups. Similarly, integration with the circuits of the cultural goods and services market is extremely varied – generally informal or poorly structured spaces – and the large cultural industries are concentrated in the capitals of a few countries, such as, for example, the audiovisual sector of Argentina, Brazil, Colombia, Mexico and Venezuela. Additionally, the regulatory frameworks differ widely and not all the countries have the instruments and institutional basis dedicated to the promotion of this sector.

The development of Cultural and Creative Industries (CCIs) contributes significantly not only to the economic and productive growth and diversification, employment and cultural identity, but it is also the most effective means to keep alive and to renew local culture. At the same time, it constitutes the image that identifies a country (or a region) on the international scene.

The bond linking the Cultural and Creative Economy with business, culture and technology, by forming "sectoral clusters," affords developing countries the possibility of transforming creative resources into factors for growth and well-being, by achieving greater insertion in the worldwide globalization process. The unstoppable combination of culture with advancements in information and communication technologies has made this sector a key driver for sustained growth. Nonetheless, many developing countries are not yet able to harness their creative capacity, owing to both external as well as internal constraints.

Latin America and the Caribbean as a whole should grant CCIs the formal treatment corresponding to an economic sector, as is already done in other countries. In this way, clear and stable rules could be established for its development, so that a specific sectoral economic policy could be defined, paying special attention to matters concerning trade

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relations with the rest of the world, and highlighting a fiscal and incentives policy for its promotion. Thus, it would be possible to take advantage of its economic potential for growth and development, within a context of respect for our identity and our diversity.

In this regard, it is to be expected that regional and subregional policies and actions will be adopted to encourage mutual cooperation for the development of world-class creative and cultural sectors and activities. The support granted to cultural and creative industries contributes to the consolidation of local values, tradition and culture. An additional aim is to see that the contact with other cultures, which will necessarily take place due to the effects of globalization, will reinforce and renew these very traditions, strengthen local cultural heritage, create a new system of values, and broaden the horizon for trade and investments, consequently reducing unemployment.

Although Latin American and Caribbean economies possess significant potential resources for stimulating creativity, talent and cultural diversity, these can become agents of economic growth only with the implementation of sectoral policies for the CCIs that will strengthen their productive organizations, guarantee appropriate regulatory frameworks and adequate conditions for their sustained existence, raise levels of training and production of knowledge in the sector and facilitate access to technological tools and foreign markets.

In this regard, the exchange of experiences and the development of synergies and alliances among its Cultural and Creative Cities, particularly the capitals and other relevant cities, might be of interest. This could come to fruition with cooperation projects for multi-destination tourism and the promotion of all things Latin American.

Varied organizations and initiatives involved in the ambit of cultural and creative industries in Latin America and the Caribbean have multiplied, especially during the last five years. References are available in the region related to the treatment of cultural and creative industries in the meetings of Ministers of Culture and, particularly, in subregional forums such as the Common Market of the South (MERCOSUR), the Andean Community (CAN), the Bolivarian Alliance for the Peoples of the Americas (ALBA) and the Caribbean Community (CARICOM). The topic is likewise included in the action plan on the Information Society of Latin America and the Caribbean eLAC2007 coordinated by ECLAC, in several of the programmes for the protection of Traditional Knowledge, the promotion of software development in our region, as well as within the context of other organizations of the region: the Andrés Bello Agreement, the Regional Centre for the Promotion of Books in Latin America and the Caribbean (CERLALC), the Inter-American Development Bank (IDB) and the United Nations Educational, Scientific and Economic Organization (UNESCO). The multilateral and integration trade agreements, as well as those of UNESCO for the CCI and the World Intellectual Property Organization (WIPO) in matters regarding copyrights and related rights, together with the worldwide initiatives on the Information Society, constitute important references as regards norms and policies for the development of CCIs.

Based on a decision of its Member States, SELA will hold a consultation meeting on cultural and creative industries in Latin America and the Caribbean this year, whose main purpose is to discuss possible lines of action to support the development of this sector in our region. The following could be a list of possible strategic activities which could be undertaken by SELA to assist the region with its laudable purpose of advancing in the development of its Cultural and Creative Industries:

- i) Preparation of general and sectoral studies in connection with the region's cultural and creative industries to determine the direct relationship of these with social development and inclusion.
- ii) Promoting the generation of knowledge and the design of strategies at the local and regional levels so as to create productive cultural chains, and thus be able to identify obstacles and opportunities for the development of its links, organizations and agents.
- iii) Formation of a regional forum on Creative and Cultural Industries in which it will be possible to approach in an integral manner those aspects related to cultural and creative policies, economic and trade policies, the development of ICTs, intellectual property, promotion of trade and investments, with a view to constructing a Latin American and Caribbean space for cooperation, consultation, coordination and institutional capacity building.
- iv) Setting up of a Regional Forum of Cultural and Creative Cities in LAC.
- v) Promotion of regional cooperation for reinforcing protection of intellectual property, for example, knowledge of copyright matters, protection of traditional knowledge, traditional cultural expressions and folklore, and development of collective rights.
- vi) Development of cooperation programmes for training in business skills, for example, technical and administrative training, information regarding markets, financing mechanisms, access and use of ICT and strategic alliances (co-production, multi-destination cultural and sports events, specialized meetings).
- vii) Holding of regional meetings of national authorities, regional integration and cooperation institutions, multilateral organizations and experts, underscoring relevant sectors, such as audiovisual, multimedia, publishing, traditional cultural expressions and sports. Similarly, meetings could be called on a regular basis for the treatment of specific topics, such as the setting up of cooperation networks of cultural and creative cities, the facilitation of migratory, customs and exchange aspects for Latin American and Caribbean cultural development; and training activities of a regional scope.

1. Importance of cultural and creative industries

According to the World Bank, halfway through the first decade of the 21st Century, Cultural and Creative Industries (CCIs) accounted for an average of 7% of the world's gross domestic profit and generated US\$ 1.3 billion in exports, with an annual growth rate of 10%¹. As for Latin America and the Caribbean, the average contribution of this sector to the GDP is estimated at 3.5% to 4% of the region's GDP, without including cultural tourism. However, it should be noted that reliable statistics are not available; consequently, the figure could be higher, as in the case of Brazil and eight other LAC countries for which the following data² is available:

**CONTRIBUTION OF CCIs TO GDP AND EMPLOYMENT IN LAC COUNTRIES
(%)**

COUNTRY	GDP	EMPLOYMENT
Argentina (2003)	6.6	5.3
Brazil (1998)	6.8	5.0
Chile (1996)	2.8	2.7
Colombia (no date)	2.1	
Mexico (1998)	6.7	3.7
Paraguay (1998)	1.0	3.3
Peru (2001)	1.03	
Uruguay (1997)	6.5	4.9
Venezuela (RB) (2002)	7.1	

Source: *Piedras Ferias, Ernesto. op. cit.*

The increasing value and potential³ of these industries in Latin America and the Caribbean is broadly recognized. Among the reasons cited is the acknowledged creative force of the region, its increasing international acceptance, the size of the Spanish-, Portuguese- and English-speaking population, and the ties maintained with the Diaspora that resides outside LAC. Nonetheless, it is likewise recognized that the governments of the region are still far from acknowledging the importance of the CCI "when drafting their cultural and trade policies."⁴

Latin American and Caribbean countries with tradition in CCIs offer high levels of quality in the production chain, with the presence of important partners in the entertainment and communications industries. For example, many Latin American films are successful in international events and they are increasingly linked with processes involving co-production and business alliances. A similar case occurs with soap operas, literature, music, crafts, software, multimedia, fashion, and a broad range of sports and athletes.

¹ IDB. Cultural Industries in Latin America and the Caribbean: Challenges and Opportunities. September 2007.

² Piedras Ferias, Ernesto. Impact of Cultural Industries on the Economies of Latin America, in Diagnosis of Copyright in Latin America. CERLALC, Bogota, 2007.

³ UNESCO. Measures to Promote Diversity of Cultural Expressions. Latin American Approaches. 20 May 2008. Doc. CE/08/1-EXT.IGC/INF.5.

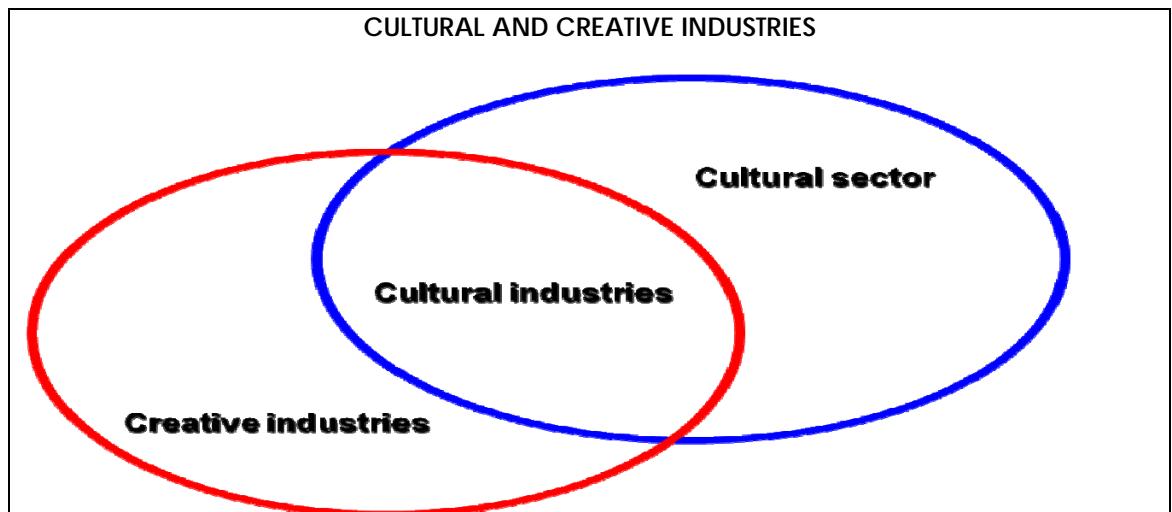
⁴ Sandoval Peña, Natalia. Cultural Industries in Latin America within the Context of Negotiations of WTO and FTAA. Organization of Ibero-American States (OEI), no date.

According to the socio-economic conditions in which the cultural practices and creative industries take place, Latin America and the Caribbean present – among others – the following characteristics:⁵

- It is a heterogeneous region with great differences in production scales, dissemination modalities and conditions of access to, and size of, markets, according to countries, regions and local socio-cultural groups.
- Integration in market circuits is extremely varied; it generally occurs in informal and poorly structured spaces.
- Large cultural industries are concentrated in the capitals of just a few countries; for example, the audiovisual sectors of Argentina, Brazil, Colombia, Mexico and Venezuela.
- Regulatory frameworks are very different and not all countries possess the instruments and institutional basis dedicated to promoting the production and exports of this sector.

2. Sectoral scope of CCIs

The Cultural and Creative Industries (CCI) include, first of all, those goods and services that are usually placed in the area of traditional cultural policies, such as scenic and visual arts, literature, music, films, crafts, cultural heritage and mass communications media. They also cover other services such as advertising, architecture, design, fashion, video, interactive informatics programmes, performing arts, photography, informatics services and sports.⁶ The following graph illustrates this better:



Source: CRECE. *Methodological Guide to the Development of Regional Maps of Creative Industries*. Bogota, 25 October, 2005.

Taking as a reference the classifications made by UNCTAD and the IDB, the cultural and creative industries sector could be made up of five large subsectors, which in turn include various relatively homogeneous groups and activities:

⁵ UNESCO, op. cit.

⁶ IDB, 2007.

COMPOSITION OF CULTURAL AND CREATIVE INDUSTRIES

1. TRADITIONAL KNOWLEDGE

- a. Traditional Cultural Expressions (Crafts, Festivals, Celebrations, Ancestral Knowledge)
- b. Cultural Sites (Monuments, Museums and Galleries, Libraries)

2. ARTS

- a. Visual (Painting, Sculpture, Antiques, Photography)
- b. Scenic (Concerts and Performances, Theatre, Dance, Puppets, Opera, Circus)
- c. Literature

3. MEDIA

- a. Editorial and Publications (Books, Graphic Industry, Publishing Industry, Press, Other publications)
- b. Audiovisual (Films, Radio, Television, Videos)
- c. Phonographic (Record Industry)
- d. Interactive Media (Digital Content, Interactive and Recreational Software and Videogames, Cartoons, Multimedia Support)

4. FUNCTIONAL CREATIONS

- a. Design (Interior, Graphic, Fashion, Jewellery)
- b. Creative Services (Architecture, Advertising, Creative Research and Development, Music, Gastronomy, Cultural Services, Ecotourism)

5. SPORTS AND GAMES

However, it is worth mentioning that in unlike analyses, forums and national policies, different classifications are adopted; as a result, there occur varied approaches as regards definition of interests, policy options and strategies for international insertion. Consequently, it would seem advisable that LAC come to a consensus as to the definition of the group of activities that make up this sector, with a view to defining a model for regional cooperation, consultation and coordination.

On this point one could cite UNESCO's Framework for Cultural Statistics (FCS) which defined in 1986 nine cultural categories: (1) cultural heritage; (2) printing and literature (3) music; (4) performing arts; (5) phonographic media; (6) audiovisual media; (7) socio-cultural activities; (8) sports and games; (9) environment and nature. Nevertheless, in a recent study, ECLAC⁷ makes a more restricted classification, as follows:

1. Publishing
2. Films
3. Television
4. Radio
5. Recordings
6. Contents for cellular phones
7. Independent musical production
8. Independent audiovisual production
9. Web contents
10. Electronic games

⁷ ECLAC. Contents Industries in Latin America. Document prepared by Cosette Castro. Santiago, January 2008. Document of Work Group eLAC2007.

11. Contents produced for digital cross media convergence (regional, national and macro regional), through networks constituted by interdependent and interconnected companies, whose tendency is to melt within the economic, social and cultural fabric.

As for cultural heritage, according to UNESCO, this goes far beyond cities, places and monuments, since it also includes those live manifestations of human creativity which deserve to be preserved for the sake of cultural diversity. For example, languages, performing arts, music, religious rituals and oral traditions. In any case, of the 754 heritage items that appear on the list of Heritage of Humanity, 109 are located in Latin America and the Caribbean.⁸

3. Cultural and Creative industries and economic and social development

The productive activity of CCIs is carried out by means of the conjunction of multiple operators and specialties, within a process called network or cluster, made up of the processes of artistic creation, production, diffusion, distribution and enjoyment. In the most recent case of digital services, it is possible to appreciate the impact of "convergence" among the communication, information and computer industries, which permanently interact with their counterpart or client, thus opening up the way for digital platforms that operate in real time.⁹ Consequently, these are complementary activities that generate derived demands, external economies and new business and investment opportunities for the sector, as well as for all of society.

For example, in the publishing sector, the chain begins with the authors, writers and compilers, and broadens to take in literary agents or representatives. Then come the publishing houses, the printers that include graphic designers, linotypists, translators and other, and later there's a jump to bookstores, libraries, schools, etc. In all cases there exist contract and trade relations of various types, as well as normative and institutional frameworks, and even international agreements of diverse nature. During the last few years, Internet sales have been added within the marketing chain.

In contrast with the general economic conception regarding the "administration of scarcity," the economy of CCIs refers to the treatment of an abundance of ideas, creations and productions, in which the economic category of the substitute good or service loses importance, as does anything connected with its self-destruction or consumption, since services such as artistic works, books, music and design can be enjoyed by the consumer innumerable times and their existence does not imply competition with other creative goods or services.

Additionally, all the activities that constitute the CCI share the characteristics of intangibility and intensive use of knowledge in the production process. This places them in the lead of the economy of the XXI century, where information, knowledge and creativity constitute the most important generating force for global economic growth.¹⁰

Creativity is basically the product of local socio-cultural contexts; consequently, it cannot be the exclusive heritage of the richest economies. For this reason, creative industries are considered an important driving force for development and for the generation of added

⁸ UNESCO. Portal Cultural.

⁹ Katz, Jorge. Information and Communication Technologies and Cultural Industries. A Latin American Perspective. ECLAC - EUROPAID, Santiago, June 2006.

¹⁰ UNCTAD. Creative Industries and Development. TD(XI)BP/13, dated 4 June 2004.

value in developing nations, and are likewise essential for maintaining cultural identity and promoting local development.¹¹

When CCIs are linked to a specific location or region, they create sustainable employment that has no connection with the cyclical fluctuations of the economy, they create work for qualified people, take advantage of local and traditional knowledge and generate positive external contacts (e.g., in the case of crafts, gastronomy, tourism and sports), thus promoting social cohesion and a sense of belonging.

As a result of the increase in the consumption of foreign cultural products, especially in the case of films, television and radio, there tends to exist an increasing loss of values and identity, that could lead LAC to become a mere buyer of products of foreign cultural industries. Consequently, supporting native cultural industries helps to consolidate local values, tradition and culture, and encourages the need to come in contact with other cultures, something which will necessarily occur due to globalization, and will reinforce or renew these very traditions, strengthen local cultural heritage, create a new system of values and broaden the horizon for trade and investments.

The development of Cultural and Creative Industries contributes significantly not only to economic and productive growth and diversification, employment and cultural identity, but is also the most effective means to maintain local culture alive and renovated, while constituting the image that identifies a country (or a region) on the international scene.

4. Function of the CCI sector in the economy of developing countries

The bond that the Cultural and Creative Economy establishes among enterprises, culture and technology, through the setting up of important sectoral clusters, affords developing countries the possibility of transforming creative resources into factors which produce growth and well-being, by allowing for a greater insertion in the worldwide globalization process. The uncontrollable combination of culture with the development of information and communication technology, has turned this sector¹² into a key element for sustainable growth.¹³ Nonetheless, many developing nations are not yet able to harness their creative capacities, due to external as well as internal constraints.

Consequently, it is necessary to adopt policies, at the national level, geared towards fostering, protecting and promoting cultural and creative industries, and to implement strategies in order to increase the production and exporting capacity of those goods and services. This requires strengthening local producers and their capacity to supply, by fomenting the skills of artists, athletes and entrepreneurs, and expanding related sectors in the entire economy in the initial and final phases of production chains, particularly access to information and communication technologies (ICTs), development of design, education and training, financing, and market information, as well as of national, regional and local policies.

¹¹ Colombia. Policy for the Development of Creative Industries, no date.

¹² The Creative Industries sector is also known as "Contents Industry."

¹³ Del Corral, Milagros. Toward New Development Policies of Cultural Industries. Portal Iberoamericano de Gestión Cultural. September 2005 (www.gestioncultural.org).

CULTURAL AND CREATIVE INDUSTRIES IN DEVELOPING COUNTRIES

The growth of a dynamic competitiveness of the creative industries in developing countries unavoidably implies the strengthening of national producers and of their capacity to provide the necessary supply as a basis for a more effective integration in world markets. This, in turn, requires encouraging the local capacity of artists and entrepreneurs who work directly or indirectly in creative industries. The experience of countries that have successfully cultivated their national cultural industry shows that those sectors can contribute to qualified labour-intensive activities with high added value, generating useful ties with related sectors in the entire economy in the initial and final phases of the production chain, in particular information and communication technologies (ICTs) and design.

Source: UNCTAD. Creative Industries and Development. 13 May 2004.

On the international scene, the main obstacles faced by CCIs refer to the difficulty of having access to markets both for goods as well as for those who render services, and the lack of competitive practices of the companies, especially in the audio-visual and digital sectors. Equally detrimental is the concentration of marketing channels and distribution networks in just a few of the main markets, and technological exclusion. Most of the income from this sector is derived from intellectual property rights and licenses, as well as from marketing and distribution, but does not get to the creators in developing countries.¹⁴

5. The CCI sector and Latin America and the Caribbean

Based on the evidence of the studies conducted for Latin America and the Caribbean, just as was done several decades ago with tourism and, more recently, with the "*maquila*" industry, it is suggested that the region as a whole should grant CCIs the formal treatment of an economic sector, as is already the practice in other countries. In this manner, clear and firm rules could be set for its development, defining a particular sectoral economic policy, giving specific attention and treatment to trade relations with the rest of the world and emphasizing a fiscal and incentives policy for their promotion, which will allow taking advantage of their economic potential for growth and development, within a framework of respect for our identity and diversity.¹⁵

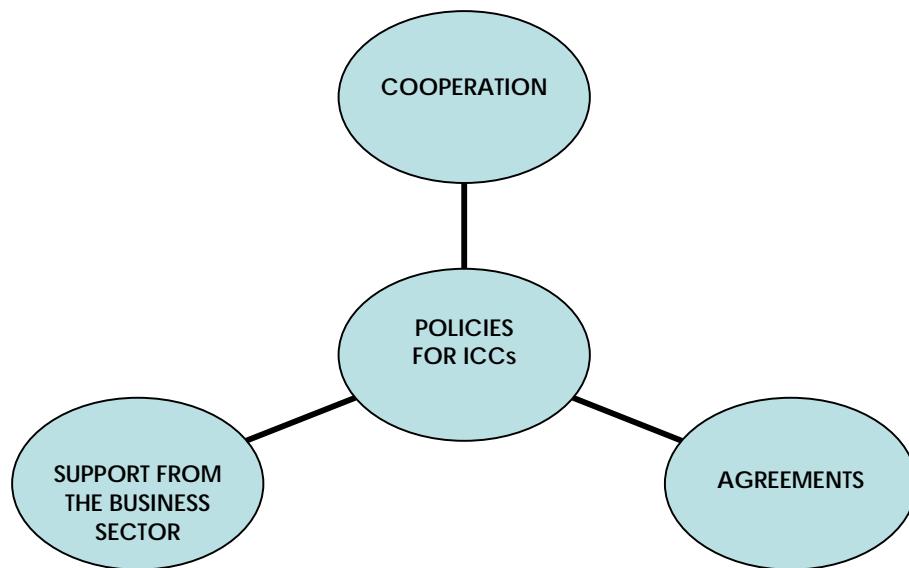
In this regard, it is to be expected that this sector will be recognized as such in the region and that regional and subregional policies and actions will be adopted that will promote mutual cooperation for the development of world-class sectors and activities.

As may be seen in sections 7 and 8 of this document, there exist multiple regional and international initiatives and agreements for fomenting, developing and regulating CCIs. It might be advisable to consider them in our region and its subregions, taking into account – in each case and according to national and subregional characteristics – the methodology proposed in the following graph:

¹⁴ UNCTAD. Press release dated 14 January 2008.

¹⁵ Piedras, op. cit.

POLICY ELEMENTS FOR THE CULTURAL AND CREATIVE INDUSTRIES IN LAC



The adoption of national policies, in which cultural authorities will participate in the same way as those responsible for industrial and commercial development, for promoting trade and investments, for the adoption and development of ICTs, as well as the private sector and those local and regional organizations connected with CCIs. In this process, cooperation and assistance throughout LAC should be strengthened, as should the formation of subsectoral synergies and alliances, for example, as regards audio-visual materials, the development of Cultural and Creative Cities (CCCs),¹⁶ the adoption and joint participation in International Agreements and the deepening of regional integration.

The adoption of policies for the development and promotion of Cultural and Creative Industries (CCIs) in the countries of Latin America and the Caribbean could have as objectives the strengthening of national producers and their capacity to increase supply, improving levels of training and production of knowledge, facilitating access to technological tools and ensuring an appropriate and sustainable regulatory and institutional framework.¹⁷ For this reason it is necessary that, in the case of Latin America and the Caribbean, the global treatment of creative and cultural industries be taken into consideration, bearing in mind their economic, social and political importance for all the countries, and the particular regional characteristics associated with the diverse, multicultural, multilingual and dissimilar levels of development among the countries of the region, among subregions and even within each one of the countries.

¹⁶ See following section.

¹⁷ Colombia's Ministry of Culture. Policy for the Development of Creative Industries, no date.

According to the Ministry of Culture of Colombia, "the display of creative activities, and in particular of the cultural and artistic ones, as driving forces for economic growth, face strong obstacles that have a greater degree of influence on developing economies. Cultural activities still manifest a high degree of informality in their creation, production, dissemination and consumption processes; they remain associated with precarious ways of exploiting work, present limited levels of exports, cultural goods and services still do not form a significant part of the products consumed by families, public budgets dedicated to these sectors continue to be very limited, and, in addition, economic globalization trends have shown that they favour concentration of competitive power and market control in the largest companies and in economies with a higher level of economic development."

While Latin American and Caribbean economies possess significant potential resources in terms of creativity, talent and cultural diversity, these will become driving factors for economic growth only when CCI sectoral policies are implemented that will strengthen their productive organizations, guarantee appropriate regulatory frameworks and adequate conditions for their sustainability, raise levels of training and production of knowledge in the sector and facilitate access to technological tools and foreign markets.

Among the multiple positive experiences in LAC, one could mention the policy for encouraging reading in Colombia, the policies for the publishing industry in Argentina, Brazil and Mexico, the *Opción Libros* Programme of the city of Buenos Aires, the incentives and mechanisms for protecting the production of films and soap operas in countries such as Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, Mexico, Peru, Uruguay and the Bolivarian Republic of Venezuela. Similarly, the Buenos Aires Metropolitan Design Centre, the Altos de Chavón School of Design of the Dominican Republic, the IBERESCENA Project for the promotion of contemporary dance and theatre in Ibero-America, the *Marca País* Strategy of Argentina with regard to tourism, and the multi-destination programmes for theatre and tourism, sports competitions, exchange and cooperation programmes, as well as the promotion of Latin American and Caribbean music and culture.

6. Cultural and creative cities (CCCs)

Parallel to this, as occurs in the rest of the world and even more so when 80% of the population lives in urban areas, Latin America and the Caribbean are also witnessing the development of urban cultural and creative industries. This aspect is so important that it deserves to be granted a special section in this document.

The cultural and creative policy of the European Union and of the largest countries in the world concentrates mainly on the strengthening and development of Cultural and Creative Cities (CCCs). The importance of a city is directly linked to the culture and creativity it is home to. Furthermore, these industries constitute one of the main productive sectors, generate quality employment opportunities and are an important means for creating centres of technological development.

The development of creative activities is connected to a great extent to the availability of markets, the possibilities of having access to productive chains, access to human and technological resources, as well as to State institutions. As a result, cities, in addition to facilitating access to such resources, help alleviate or reduce the risks involved in the very nature of cultural activity, such as constant innovation and a high degree of uncertainty.

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That is why, with a view to encouraging creative and cultural development, cities plan, implement and develop the necessary technological infrastructure, various festivals, expositions and financing programmes that support the evaluation of the cultural creation process.

The experience of large successful cities also demonstrates the importance of adopting coherent governmental plans, of establishing alliances with various institutions and a strong commitment with the private sector, and of applying fiscal and financial incentives, as well as norms in favour of creativity and culture, among others.

It is clear that each city has its own objectives and particular means for obtaining important economic and social benefits. These objectives generally refer to:¹⁸

- The need to raise the international profile of the city and its circle of influence
- The need to develop cultural programmes and artistic events
- The need to attract visitors and promote pride and self-confidence
- The need to expand the local audience for culture
- The need to improve cultural infrastructure
- The need to develop synergies and alliances with other cities and regions
- The need to promote creativity and innovation
- The need to improve training and talents of local creators and artists

It might be interesting for LAC to exchange experiences and develop synergies and alliances among its Cultural and Creative Cities, particularly capitals and other relevant cities. This could come to be by fomenting cooperation, development of multi-destination tourism and promoting all aspects of Latin American life and culture.

7. Activities for development and cooperation of CCIs in LAC

In order to encourage the development of this sector, it is recommended that the cultural sector be linked with public agencies and the business sector. Additionally, the need to strengthen the statistical system is emphasized so as to obtain a general view of the economic dynamics of the industries, such as job creation and contribution to GDP, as well as making comparisons among subsectors and countries.

There are multiple and varied organizations and initiatives working in the ambit of the cultural and creative industries in Latin America and the Caribbean, especially during the last five years. Numerous references may be found related to the treatment of cultural and creative industries, among which the following may be highlighted:

- Cultural MERCOSUR, which has as its basis the Cultural Integration Protocol of MERCOSUR, approved in 1996 in the city of Fortaleza, Brazil (CMC, 11/96), and intends to provide the legal framework for cultural integration within this trade bloc.
- The Andean Meeting of Ministers of Culture.
- The action plan for the Information Society of Latin America and the Caribbean eLAC2007 of ECLAC, which includes the establishment of a regional work group to research the growth and challenges of creative industries and the development

¹⁸ www.europa.eu.

of contents industries, constituting regional cooperation mechanisms and searching for solutions to common problems.

- In ALADI there is a regional agreement of cultural goods that could very well be given a Latin American and Caribbean viewpoint, considering particularly the experience with the application of UNESCO's Florence Agreement.
- The Andrés Bello Economy and Culture Project cooperates with its member countries to improve their economic information systems for culture. To this end, it developed a satellite accounts manual for culture.
- CERLALC cooperates with WIPO in matters concerned with copyright dissemination and is a key driver of the cultural industry.
- UNESCO organizes a Forum of Latin American and Caribbean Ministers of Culture.
- SELA held a regional forum in 1998 called Economic Integration and Cultural Industries in Latin America and the Caribbean and, more recently, in 2009, it initiated two programmes for the promotion and protection of Traditional Knowledge and Software Development in LAC.¹⁹
- The Bolivarian Alliance for the Peoples of the Americas – ALBA – includes the Cultural ALBA, ALBA's Cultural Fund, and ALBA's Cultural Strategic Plan (2006-2010).
- The Andean Community organizes a subregional meeting of Ministers of Culture.

Additionally, ECLAC, OEI, IDB, CARICOM and SELA have been leaders in conducting studies regarding cultural and creative industries in LAC.

In the integration agreements, the opening up of markets to regional goods such as crafts and physical dissemination media (films and software, among others), as well as commitments with regard to the marketing of services, constitute a significant base for fomenting creative industries in Latin America and the Caribbean. It might be of interest to study topics such as the treatment of investments, cooperation mechanisms for the reduction of asymmetries that could find in the creative industries an important means of collaboration and mutual assistance, and the treatment of intellectual property, the temporary entry of persons and the requirements of nationality and residence for rendering cultural services within the integration agreements of LAC.

¹⁹ See SELA's institutional page: <http://www.sela.org>.

8. International achievements

Ever since the late 1940s, the topic of Cultural Industries (broadened in the 1990s to the concept of Creative Industries) has been approached basically by UNESCO and WIPO, due to their connection with copyright and related rights. Among other agreements and instruments, one could mention the Florence Agreement and UNESCO's Agreement for the Safeguarding of Cultural Heritage. Truly, this organization is an important driving force of creative industries in the world.

Achievements in matters regarding copyright and related rights and other WIPO agreements, as well as works on protection of traditional knowledge, traditional cultural expressions and folklore, have a direct influence on creative industries.

As of the UNCTAD XI in 2004, this organization has programmed permanent activities in the field of Creative Industries in support of several countries in Africa. Additionally, UNCTAD's e-Trade programme shows that the concrete analyses it conducts on electronic trade and ICTs in developing countries focuses on certain topics, such as the use of digital technology and Internet in creative industries, particularly the application of music to online higher education.

In the WTO, European Union, Canada and many developing countries – including those of Latin America and the Caribbean – there have been manifestations since the Uruguay Round regarding the need to count on a Cultural Exception, especially to protect the audiovisual sector from U.S. competition and due to reasons of cultural sovereignty. This has also been evident within the context of the discussions and negotiations of NAFTA and the FTA of the United States with many countries of the world, where developing countries have tried to exempt this sector from the principle of most favoured nation.

UNESCO has developed important instruments, the last of which is the *Agreement on the Protection and Promotion of Cultural Diversity of 2005*, of which 18 SELA Member States form part: Argentina, Barbados, Bolivia (plurinational state), Brazil, Chile, Cuba, Ecuador, Grenada, Guatemala, Guyana, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic and Uruguay.

The following should also be mentioned: the Universal Statement on Cultural Diversity (2001), Safeguard of Intangible Cultural Heritage (2003), Agreement for the Safeguarding of the Cultural Heritage, agreements on the prohibition of imports, exports and transfer of illicit ownership of cultural goods (1970), the Protection of cultural heritage in case of armed conflict (1954), the Universal Copyright Convention of 1952, revised in 1971, and the Protection of the world's cultural and natural heritage (1972).

Additionally, UNESCO has a Global Alliance for Cultural Diversity, of which SELA is a member.

9. Elements for a Cooperation and Development Programme among CCIs in Latin America and the Caribbean

A policy aimed at developing the productive potential of the cultural and creative industries of LAC, should be directed especially toward those informal sectors having to do with labour organization and employment as well as many entities classified as Small and Medium-sized Enterprises (SMEs). In this connection, priority should be given to slowly incorporating these into value-generating chains, thus permitting a broadening of their markets, and the improvement of quality and access to new technologies. The experience and importance of those formally constituted that comply with the conditions of quality and sustainability is, of course, valid, since this allows them to participate actively in local and international markets.

As a matter of fact, as has been previously mentioned, cultural production is not carried out by isolated agents and organizations, but must be articulated in productive chains where various roles are played. Cultural production takes place in different phases of transformation (creation, production, circulation, exhibition and appropriation / consumption), and in each of these there intervene diverse productive specialties and ways of gaining access to markets and investments. All these actors add the value needed for a cultural product to become part of a community's heritage.

The following could be an illustrative list of actions that might be taken to assist the region of LAC in the preparation of a cooperation and advisory programme within the SELA framework for the development of the CCI sector:

- i) Prepare general and sectoral studies linked with the region's cultural and creative industries, and determine their direct relationship with social development and inclusion.
- ii) Encourage the generation of knowledge and the design of strategies at the national and regional levels, for the formation of productive cultural chains, so as to identify obstacles and opportunities for the development of links, organizations and agents.
- iii) Establish a regional forum on Creative and Cultural Industries in which it will be possible to approach, in an integral manner, those aspects related to cultural and creative policies, economic and trade policies, development of ICTs, intellectual property, and promotion of trade and investments, with a view to building a Latin American and Caribbean space for cooperation, consulting, coordination and training in institutional and business skills.
- iv) Set up a Regional Forum of LAC Cultural and Creative Cities.
- v) Promote regional cooperation for reinforcing the protection of intellectual property, for example, knowledge of copyright, protection of traditional knowledge, traditional cultural expressions and folklore, and development of collective rights.
- vi) Develop cooperation programmes for training in business skills, including technical and administrative training, information regarding markets, financing mechanisms, access and use of ICTs and strategic alliances (co-production, multi-destination cultural and sports events, specialized meetings).

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vii) Hold regional meetings of local authorities, regional integration and cooperation entities, multilateral and expert organisms, emphasizing relevant sectors such as audiovisual, multimedia, publishing, traditional cultural expressions and sports. Similarly, meetings could be called on a regular basis for treating specific topics, such as the forming of cooperation networks of cultural and creative cities, the facilitating of migratory, customs and exchange aspects for Latin American and Caribbean cultural development; and training activities with a regional scope.