

APEC Concept Note

Project Title:	APEC Workshop on Promoting Creative Industries in the Aftermath of COVID-19: Sharing of Best Practices, and Identifying Opportunities and Challenges
Fund Source (Select one):	<input type="checkbox"/> General Project Account (GPA) <input type="checkbox"/> Trade and Investment Liberalization and Facilitation Special Account (TILF) <input type="checkbox"/> APEC Support Fund (ASF) – General Fund <input checked="" type="checkbox"/> APEC Support Fund (ASF) – Sub-fund. You must nominate the Sub-fund here: Digital Innovation
APEC Forum:	Digital Economy Steering Group (DESG)
Proposing APEC Economy:	Indonesia
Co-sponsoring Economies:	Chile; Hong Kong, China; Peru; Thailand
Expected Start Date:	January 2023
Project Completion Date: <small>See Chapter 7 Guidebook on APEC Projects</small>	December 2023
Project Summary: <i>In 150 words -</i> <ul style="list-style-type: none"> • What is the issue that you will address or examine in your project? • Outline the key things your project will do, in terms of what, where, when and with whom. <small>(Summary <u>must be</u> no longer than the box provided. Cover Sheet must fit on one page)</small>	<p>According to UN, the Creative Economy Industries generates over than 2 trillion USD in revenues, represents 3% of GDP and creating nearly 30 million jobs, mostly MSMEs, with 45% participation of women. It is projected to account for 10% of the global GDP in 2030. However, the COVID-19 crisis has brought this exceptional growth to a standstill, losing 20 – 40% of the revenue in 2020. Currently there is still limited discussion on how we could promote creative economy in APEC. Therefore, it is important to initiate discussion in APEC on reviving the creative economy, facilitated by the digital innovation. This will support an inclusive recovery that boosts MSMEs employment in the region, particularly following the Collective Action from Aotearoa Plan of Action (APA) to: “Promote ecosystems that support MSMEs, including those in the creative industry, to take advantage of the digital economy”.</p> <p>A 2-day Workshop will be held in Bali, July 2023 to gather experts and participants from a penta-helix element, to discuss recommendations by sharing best practices, and identifying opportunities and challenges, in promoting the creative industries.</p>
Total cost of proposal: (APEC funding + self-funding): USD 130,000	Total amount being sought from APEC (USD): 130,000 By category: Travel: 70,000 Labor costs: 25,000 Hosting: 25,000 Publication & distribution: Other: 10,000 <small>(See Guidebook on APEC Projects, Chapter 9 to ensure all proposed costs are allowable)</small>
List all project outputs: <small>For example:</small> <ol style="list-style-type: none"> 1. Research and Background Paper 2. Workshop 3. Project Summary Report 	<small>Project Overseers are encouraged to limit outputs to 3 or fewer</small> <ol style="list-style-type: none"> 1. Background Paper on Creative Industries 2. 2-day Workshop on Promoting Creative Industries in the Aftermath of COVID-19 3. Summary Report of the Workshop

Project Overseer Information and Declaration

Name: Rully Fachrudin Sukarno **Title:** Deputy Director for Regional Cooperation of Asia Pacific and African Affairs

Organization: Ministry of Foreign Affairs **Tel:** +62 811-1975-261 **E-mail:** rullyfs@kemlu.go.id

As Project Overseer and on behalf of the above said Organization, I declare that this submission was prepared in accordance with the **Guidebook on APEC Projects** and any ensuing project will comply with said Guidebook. Failure to do so may result in the BMC denying or revoking funding and/or project approval. I understand that any funds approved are granted on the basis of the information in the document's budget table, in the case of any inconsistencies within the document. By submitting this APEC Project Proposal to the APEC Secretariat, I agree that the APEC Secretariat will collect, use, disclose, and transmit the data contained in the APEC Project Proposal, which I have provided to the APEC Secretariat in accordance with Singapore's Personal Data Protection Act 2012 and the APEC Secretariat's data protection policy (<https://www.apec.org/PrivacyPolicy>). The APEC Secretariat will transfer any data provided on this form, which may contain personal data of Project Overseer(s), to APEC member economies overseas via the APEC Secretariat.

Rully F. Sukarno / 13 June 2022

Name of Project Overseer / Date

Project Synopsis

Project Objective:

- **State the overarching objective of the project in 100 words or less.**

The objective is the overarching goal of your project. For example: 'The objective of this project is to improve the capacity of APEC economies to collect and report gender data, in order to enhance collaboration on regional gender initiatives, including the implementation of the APEC La Serena Roadmap'.

The objective of this project is to improve the capacity of APEC Members to support Creative Industries by identifying the opportunities and challenges as well as sharing of best practices in promoting Creative Industries in the aftermath of COVID-19, particularly by utilizing digital innovation. It will also produce a set of recommendation that is voluntary, and can be used as a consideration to determine how APEC should continue its work to further promote ecosystem for the Creative Industries. The project will also directly contribute to the Implementation of AIDER, and the APA, particularly to promote ecosystem that support MSMEs including in the creative industry.

1. **a) Relevance – Issues: What problems does the project seek to address? Does it have sustained benefits for more than one economy in the APEC region?**

Creative Industries is an evolving concept, which builds on the interplay between human creativity, ideas and knowledge. Creative Industries are based on individual or groups of people creativity, skill, and talent, as a key source of value addition. It may sound alien at first, but it covers various sectors that are relatively close to our everyday life, including but not limited to: arts and crafts; design; fashion; film; video and photography; music; software; video games; and electronic publishing among others. It is one of the most dynamic sectors in the world economy, with limitless potential including for MSMEs. According to UNESCO, it represents 3% of global economy GDP, generates over than 2 trillion USD in revenues, creates 30 million jobs worldwide, and will continue to grow. The Creative Industries market in the Asia Pacific Region generates nearly 1,5 trillion USD of revenues, with 743 billion USD in Asia, 620 billion USD in North America, and 124 billion USD in Latin America.

In 2030 the Creative Industries is projected to accounts for 10% of the global GDP. However, the COVID-19 pandemic has impacted the industries. In 2020, Creative Industries lost 20 – 40% of its revenues, and have left 10 million people unemployed. Although the crisis is still ongoing, there are new opportunities by taking advantage of the digital innovation. With this, the creative industries is likely to be a key driver of economic growth over the long term.

The digital innovation has made it possible to distribute creative work online, through various platforms, whether it is a streaming platform for audio-visual category (Films, music, etc), E-Commerce platforms for crafts, fashion and design, or other platforms for application and interactive games distribution. However, the digital innovation also imposes challenges for small and medium scale business, as they are struggling to adapt with the need to develop the necessary skills and resources.

Unfortunately, there are still limited discussions in APEC regarding this issue, especially on how APEC can contribute towards creating an enabling ecosystem facilitated by digital innovation to support the creative industry that could provide greater benefit for the prosperity of our people. Therefore, a 2-day Workshop will be held to gather Experts and participants from a penta-helix elements that include Government and International Organization, Private Sector, Communities, Media, and Academics to discuss several subjects such as: (1) Understanding the Creative Industries; (2) Opportunities and Challenges from the COVID-19 crisis; (3) Efforts to Leverage the Creative Industries facilitated by digital innovation; (4) Sharing of Best Practices and Lesson Learn from APEC Members; and (5) Possible Way Forward for APEC in Promoting Creative Industries by utilizing digital innovation among others. Prior to the Workshop, a background paper will be provided to give an overview condition of the creative industries in the Asia-Pacific Region, to prepare the participants for the workshop.

Moreover, it is also worth mentioning that there are several essential elements closely related to the Creative Industries that are highly cross-cutting, including the role of Intellectual Property, how to utilize emerging technology, and how Creative Industries can gain access to finance. Relevant fora such as APEC IPEG, PPSTI, SMEWG, PPWE and TELWG will be consulted to ensure there are synergy with relevant work from other fora. This project will benefit APEC member economies, to further strengthen the Creative Industries sector within their respective domestic agenda, as well as providing possible consideration for APEC to determine the way forward in discussing Creative Industries.

b) Relevance – Alignment to APEC: Describe specific APEC priorities, goals, strategies and/ or statements that the project supports, and explain how the project will contribute to their achievement.

This project is in line with the AIDER, especially Focus Areas “e” in Key Focus Areas (KFA) “6” which states “Developing an ecosystem that supports MSMEs, including those in the creative industry, to take advantage of the digital economy, including through discussion on policies and initiatives”. It is also further aligned with the Putrajaya Vision 2040 2nd Economic Drivers: Innovation and Digitalisation, particularly in one of the Collective Action from the APA which states “Promote ecosystems that support MSMEs, including those in the creative industry, to take advantage of the digital economy”. The project will contribute towards the goal by identifying the relevant element, to develop and promote ecosystem in the creative industry, as well as related elements that should be considered for future discussion of creative industries in APEC.

c) Relevance – Alignment to Forum: How does the project align with your forum’s work plan/ strategic plan?

The project is in line with the DESG Work Plan for 2022, especially to contribute towards APEC’s implementation of the 2nd Economic Driver of Putrajaya Vision of Innovation and Digitalisation. Moreover, this project also directly contributes to Key Focus Area 6 of the AIDER which is to Promote Innovation and Adoption of Enabling Technologies and Services, particularly in the area of Creative Industries.

2. Eligibility and Fund Priorities: How does the project a) meet the eligibility criteria and b) support the funding priorities for the nominated Fund or Sub-fund? Refer to the APEC website

This project meets the eligibility criteria for the ASF Digital Innovation, for the following reasons: (1) it supports capacity building needs for APEC developing economies, especially by providing sharing of best practices between developed and developing economies regarding the potential, and challenges of Creative Industries, and (2) It is directly aligned with the APEC digital economy priorities identified in AIDER, such as the Focus Areas to develop an ecosystem to support Creative Industry to take advantage of the digital economy.

3. Capacity Building: How will the project build the capacity of APEC member economies. For ASF projects, please identify the APEC developing member economies that will benefit from this project. (Refer to capacity building goals, objectives and principles at Appendix K of the Guidebook.)

Creative Economy provides new opportunities for APEC Economies, particularly the developing economies to leapfrog into emerging high-growth areas of the world economy. Therefore, this project will build the capacity of APEC member economies and contribute to the APEC’s goals for capacity building to reduce economic disparities among APEC economies, and to attain sustainable growth and equitable development in the Asia-Pacific region. This project will also promote inclusiveness, as creativity ideas is not limited and valued according to their gender, ethnicity, and age.

4. Methodology: How do you plan to implement the project? Briefly address the following:

- **Workplan: In a simple table, outline the project from start to end. Show key project outputs and activities and associated dates or timelines.** Indicate if you intend to record any project event. Refer to the APEC Project Event Recording Policy at Annex N of the Guidebook.

Timeline	Action	Outcome
August – December 2022	-Develop and finalizing the Project Proposal, and seek approval from the APEC Secretariat	-Project Proposal
January – March 2023	-Discuss the Progress of Work, including Sharing the current progress in the DESG 1, 2023	-Initial information, and short presentation regarding the background paper, and the 2-Day Workshop
March – May 2023	Formulating the Background Paper, with relevant stakeholder and researcher	-Background Paper on Creative Industries
April – May 2023	-Prepare the logistical arrangement, agenda, speakers, and invitation	-General Administrative Circular, -List of Speakers, Invitation
May – June 2023	-Finalizing the Workshop agenda, and Speakers	-Final agenda, and a more detailed Administrative Circular
July 2023	-Organize a 2-Day Workshop	-Workshop
August 2023	-Produce and share the initial report in the DESG 2, 2023	-Initial report, and short presentation regarding the results of the Workshop
September – December 2023	-Finalizing the Workshop report and recommendation	-Final report

- **Beneficiaries: Selection criteria for participants, beneficiary profiles (e.g. participants, end users, policy makers, researchers/ analysts, gender) and how they will be engaged.**

The project will include policymakers from Government, and International Organization that handles Creative Industries such as the UN, or other relevant International Organizations. Experts from Academics, Private sector, Communities, and Media that is active in the Creative Industries will also be invited to discuss the current challenges, and opportunities. Finally, participants from member economies will preferably come from a Creative Industries related agency, to enable sharing of best practices and a fruitful discussion.

- **Evaluation: Outline the indicators which will be used to measure progress towards the project outcomes. Where possible, provide indicators which could assess impacts on women.**

Experts and participants will be requested to fill feedback survey to gather important evaluation consideration such as efficiency, relevancy, and the outcomes of the Workshop. There will also be an evaluation on the number of women experts and participants, as well as the number of case studies or sharing best practices, that include women owned Creative Industries or where women are involved in the strategic decision-making level.

- **Linkages: Information on other APEC and non-APEC stakeholders and how they will be engaged. If and how this proposal builds on (but does not duplicate) the work of other projects. How will this activity promote cross fora collaboration?**

DESG will be the main group which oversees this Project. However, as the Creative Industries is a highly cross-cutting issues, this Project will be consulted with relevant Fora such as APEC IPEG, PPSTI, SMEWG, PPWE, and TELWG during the development as well as the implementation of this Project to promote cross-fora collaboration.