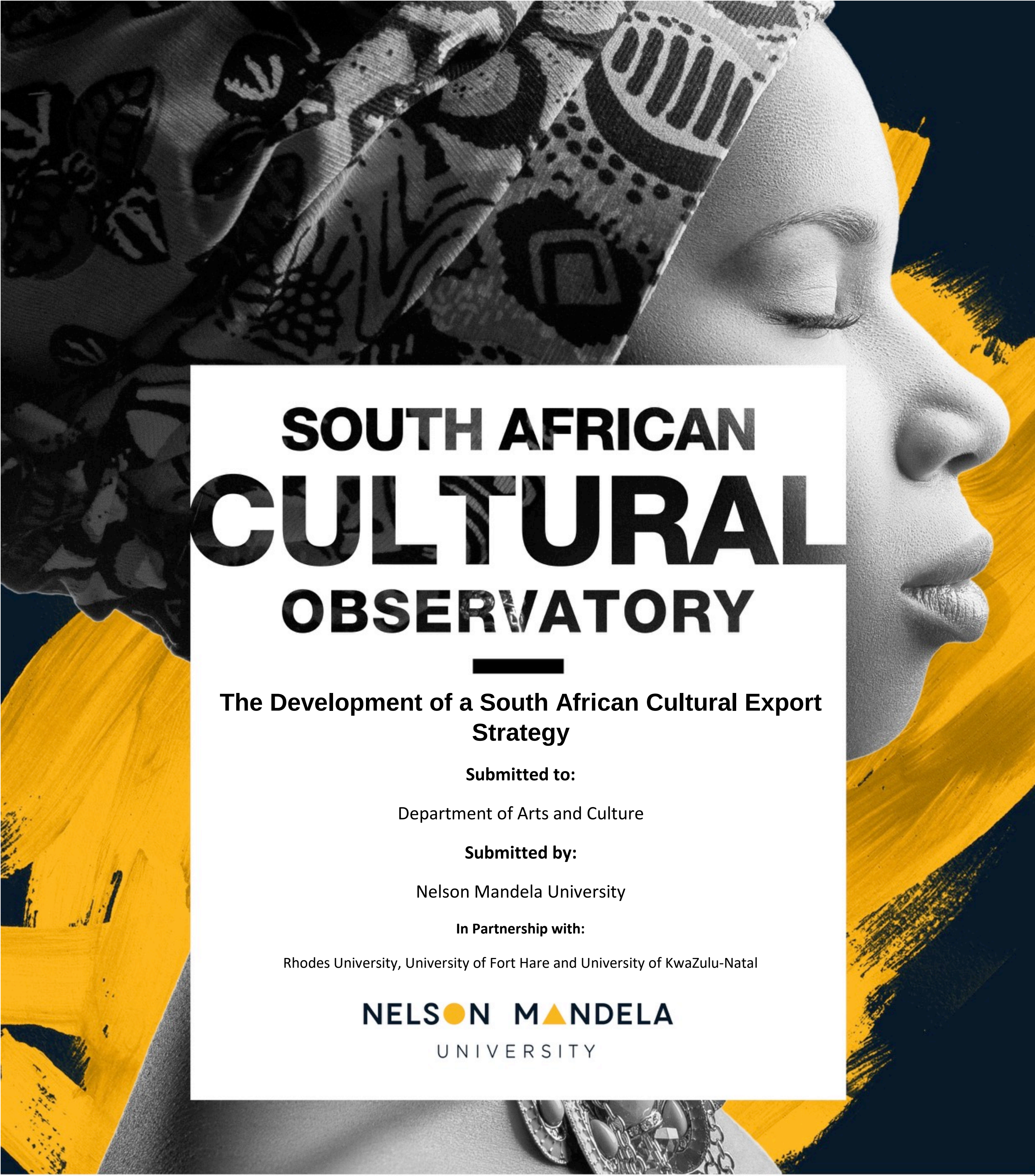

SOUTH AFRICAN CULTURAL OBSERVATORY

The Development of a South African Cultural Export Strategy

Submitted to:

Department of Arts and Culture

Submitted by:

Nelson Mandela University

In Partnership with:

Rhodes University, University of Fort Hare and University of KwaZulu-Natal

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Executive Summary

South Africa has a rich and diverse cultural heritage and has produced many gifted artists. Culture, besides its immense non-material significance, is a valuable economic asset and can be exploited to the benefit of all South Africans. Many artists have become internationally successful and contribute to South Africa's export earnings. South Africa's exports are not meeting the targets set out South Africa's strategic plans and clearly there is an imperative that exports, including the export of CCIs, must increase.

Global trade in CCI is growing rapidly. The global market for creative goods more than doubled between 2002 and 2015. South Africa, trade is very small relative to total CCI trade and there is therefore a potential to increase. Trade in general contributes to economic growth and development, while the trade in CCIs is also linked to economic development but is at the nexus between creativity and globalisation. Trade in CCIs will also project a positive international image of South Africa that could encourage investment in other sectors of the economy.

While the export promotion of CCIs is important, it is probably more important to ensure that none of South Africa's heritage is lost while promoting exports. Unique heritage artefacts be retained in South Africa. These unique heritage artefacts and important heritage sites should be used to attract both domestic and international cultural tourists. Although cultural tourism is not a traditional export, it is a service export it should also be promoted.

International Best practice points out that it is important to recognise that enterprises themselves are responsible for developing their own businesses and exporting and that government can only play a facilitating role.

South Africa has a number of strategies, policies, institutions and instruments that are focused on promoting exports in general. Some of these institutions are directed at specific sectors, while other target geographic areas. This report identifies these and indicates where and how a South African CCI export strategy can use these without duplicating or developing new strategies policies institutions and instruments.

The focus should be on the retention and growth of existing CCI exporters. This is the most efficient route to growing exports, since these categories of exporters already have the necessary experience and capacity to export. However, it is also important to grow the export base and to develop new exporters.

Export Councils are already a factor South Africa's export promotion landscape and CCI Export Councils should be established to implement a range of support measures that will encourage exporters and facilitate exporting. Export councils together with The Department of Sports Arts and Culture and other stakeholders can facilitate the

Key Findings

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- CCI trade is growing internationally and benefits a countries economic agenda while supporting cultural development.
- South Africa has available CCI trade potential, and this should be exploited.
- South Africa has a well-developed export development and promotion regime and where possible, this should be used in the development of A CCI Export Strategy.
- There is a need to establish CCI Export Council where they are currently absent.
- Training material and course, CCI exporter publications; a CCI exporter website, webinars as well as the development of online assessment tools and market potential indicators is proposed.
- A monitoring and evaluation framework is proposed that includes a statement for the proposed *CCI* export strategy, strategic outcomes, strategic outputs as well as indicator descriptors.

implementation of online assessment tools, presentation of export awareness workshops, develop and undertake various forms of export training, develop a CCI export website, make export publications, pamphlets and other literature available to exporters, organise and host webinars, recognise export achievement and present export awards, provide input into South Africa's trade policy by highlighting issues faced by CCI exporters, include trade promotion activities together with cultural diplomacy in general and Cultural Seasons in particular. These could include trade missions and exhibitions.

A database of CCI manufacturers and service providers is necessary and an indication of those enterprises that are able to export is also necessary.

Tools, including the exporter assessment tools, such as the market prioritisation (the gravity model) should be developed by the South African Cultural Observatory and made available in the same way that the "Events Impact Calculator" is made available.

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Table of Abbreviations

ACP	African, Caribbean and Pacific
AfCFTA	African Continental Free Trade Area
AU	African Union
BRICS	Brazil, Russia, India, China and South
CCDI	Cape Craft & Design Institute
CCI	Cultural and creative industries
DIRCO	Department of International Relations and Cooperation
DSAC	Department of Sports, Arts and Culture
DSTV	Digital Satellite Television
DTIC	Department of Trade, Industry and Competition
EAC	East African Community
ECIC	Export Credit Insurance Corporation
EMIA	Export Marketing and Investment Assistance
EPA	Economic Partnership Agreement
FTA	Free trade area
FTE	Full time equivalent
GATS	General Agreement on Trade in Services
GDP	Gross Domestic Product
ICT	Information and communication technologies
IMF	International Monetary Fund
INES	Integrated National Export Strategy
IPAP	Industrial Policy Action Plans
ITC	International Trade Centre
M&E	Monitoring and Evaluation
MFN	Most favoured nation
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
NDP	National Development Plan
NEDP	National Exporter Development Programme
NGO	Non-government Organisations
NGP	New Growth Path
NIPF	National Industrial Policy Framework
NMU	Nelson Mandela University
SACU	Southern African Customs Union
SADC	Southern African Development Community
SARS	South African Revenue Services
SEDA	Small Enterprise Development Agency
SEZ	Special Economic Zones
SITC	Standard Industrial Trade Classification
TDCA	Trade, Development and Cooperation Agreement
TFTA	Tripartite Free Trade Area
TISA	Trade Investment South Africa
TPO	Trade promotion organisations
TPSF	Trade Policy and Strategy Framework
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNESCO	The United Nations Educational, Scientific and Cultural Organization

WFTO	World Fair Trade Organization
WIPO	World Intellectual Property Organisation
WITS	World integrated Trade Solutions
WTO	World Trade Organization
CBI	The Center for the Promotion of Imports from developing countries, an agency of the Ministry of Foreign Affairs of the Netherlands
DSBD	The Department of Small Business Development
FCS	UNESCO Framework for Cultural Statistics
FDI	Foreign Direct Investment
FTO	Foreign Trade Organisation
GIZ	Deutsche Gesellschaff fur Internationale Zusammentarbeit (German Federal Government Foreign Aid Organisation)
GTZ	Gesellschaft für Technische Zusammenarbeit (German Technical Cooperation Agency)
HS	Harmonised System or the Harmonised Commodity Description and Coding Systems
IDC	Industrial Development Corporation
SARB	South African Reserve Bank
SMME	Small Micro and Medium Enterprises

1 Introduction and Background

> *"But no amount of support from government can bring success unless businesses are ready to show their worth in the highly competitive international markets that are now open to them."*
>
> *Nelson Mandela - November 1994 at the occasion of the President's Award for Export Achievement*

1.2 Introduction

South Africa has a rich and diverse cultural heritage and has produced many gifted artists. Culture, besides its immense non-material significance, is a valuable economic asset and can be exploited to the benefit of all South Africans. Many artists have become internationally successful and contribute to South Africa's export earnings. Similarly, South Africa's Cultural and Natural Heritage have played a significant part in stimulating cultural tourism that too contributes to a positive balance on the trade account. Many designs and creative services are incorporated into many industrial products including fashions and automotive products. Increasing the value of South Africa's cultural and creative industries (CCIs) will have a beneficial impact on both the individual firms (and artists) and South Africa as a whole.

South Africa's exports are not meeting the targets set out in the National Development Plan (NDP) and the New Growth Path (NGP). Exports must increase. In the long term, South Africa cannot rely on the primary sector, including mining or agricultural products, for growing its exports. The export of mining products is not sustainable and, agricultural exports are dependent on natural resources such as suitable land the weather and fluctuating export prices (Singer, 1950; Bhagwati, 1958; Bhagwati and Panagariya, 2013). Growth in these sectors is improbable nor is it sufficient to grow exports to the required extent. Therefore, to grow exports, it is necessary to increase the exports of manufactured products and services. Clearly, an important labour-intensive sector are CCIs, and this sector's exports must increase.

A recent United Nations Conference on Trade and Development (UNCTAD) publication, the Creative Economy Outlook report (UNCTAD, 2018 a) shows that the global market for creative goods more than doubled between 2002 and 2015. Further, trade in CCIs is linked to economic development and is at the nexus between creativity and globalisation. Trade in CCIs will also project a positive international image of South Africa that could encourage investment in other sectors of the economy.

1.3 Purpose

The purpose of this policy research report is to explore the policy options available pertaining to the development of a South African Cultural Export Strategy and will aim to achieve the following objectives:

- define the current policy and legislative environment pertaining to the export of cultural products;
- identify strategic options available pertaining to the development of a Cultural Export Strategy including:
  - Instruments;
  - Broad resource requirements;
  - Institutional options
- Propose an Impact Statement for the Proposed Cultural Export Strategy including:

- o Strategic Outcomes: Proposed Cultural Export Strategy;
- o Strategic Outputs: Proposed Cultural Export Strategy;
- o Indicator Descriptors: Proposed Cultural Export Strategy.

1.4 Aim and Objective of Report

The aim of this report is to prepare a discussion document that can be used for engagements with stakeholders so that a National CCI Export Strategy can be drafted for South Africa.

This document will also provide an analysis of South Africa's current export of CCI products and services.

1.5 A Cultural Export Strategy

The NDP and South Africa's Integrated National Export Strategy (INES), have been drafted in an environment where South Africa has been losing its share of the world export markets. An Export Strategy for CCIs is critical.

Although exporting focuses on the business side of CCIs, it nevertheless contributes to the development of the sector. An export strategy generally outlines challenges and opportunities, interventions and action plans, projects and resource requirements and activities to be undertaken over a 5 to 20-year period. The aim would be to diversify the export basket.

Although the proposed export strategy must address the relevant CCI demand-side issues, the supply side cannot be ignored. Artists, writers and other creatives need to ensure that the work that they produce is competitive, not only in the domestic market but also in the international market. Removing obstacles that CCIs face will invigorate the sector. These issues, although highlighted in this report, will be addressed in the Master Plan that is being developed for the CCIs. This forms one of a number of sectoral masterplans as part of South Africa's Re-imagined Industrial Strategy. The Nelson Mandela University (NMU) has been appointed to facilitate the development of a Sectoral Masterplan for the Creative Industries with a focus on four sub-sectors:

- Visual Arts and Crafts (including design);
- Audio-Visual and Interactive Media;
- Performance and Celebration (including music); and
- Books and Press.

Exposing CCIs to the international market often contributes to more creativity and adaptation of international trends. New techniques and applications are often learnt when trying to export a product. CCIs also can get access to new, or more suitable inputs for their particular product or service. From the demand side, foreigners will be exposed to South Africa's arts and culture and other CCIs. This will not only create an awareness but also supports cultural diplomacy. Cultural diplomacy is a key diplomatic tool that is often used to advance national interests. Under its cultural diplomacy programme, government undertakes various Cultural Seasons. An export strategy would look at how these Cultural Seasons can be aligned to improve the awareness of South Africa's culture, advance all national interests, as well as improve export earnings.

Although the Department of Trade, Industry and Competition's (DTIC) has NEDP and INES are aimed at all products and services, CCIs are somewhat unique and would require different interventions. Nevertheless, the CCI Export Strategy must be aligned to the NEDP and INES and other relevant policies. The proposed Cultural Export Strategy aims to ensure that organs of state, government structures and departments are also better aligned and organised to develop potential exporters, retain and grow existing CCI exporters and also promote South Africa's CCI exports effectively and more efficiently.

1.6 Locating the Report Within UNESCO Domains

CCIs included a number of different art forms as well as cultural and design activities. A number of classification systems have been mooted, but South Africa has adopted UNESCO's system that uses CCI domains including:

- Cultural and Natural Heritage;
- Performance and Celebration;
- Visual arts and Crafts;
- Books and Press;
- Audio-Visual and Interactive Media; and
- Design and Creative Services.

1.7 The Classifications Are Shown in Appendix 11.Trade Promotion Organisations

There is a broad range of services that trade promotion organisations (TPOs) typically offer. These services have been grouped into:

- Exporter development;
- Export marketing and support; and
- Export market development.

1.8 Scope of the Study

This study will provide the relevant background material that is required to draft a sectoral export strategy. It will review international good practice, an analysis of South Africa's CCI exports, the country's export promotional and development landscape, methodologies to identify comparative advantage, challenges that exporters face (including market access and competitiveness issues), the available tools that can be used to promote exports, and proposed indicators for the export strategy.

1.9 Methodology

The prime methodology that will be used for this study will include a literature review, and institutional review, data analysis and discussion with relevant agencies. Because of the current COVID-19 pandemic face-to-face interviews and focus-group interviews will not be held. However, the material will be presented in such a way that it can be used for consultation going forward.

1.10 Derivation

The Commissioned Research Report will be informed by the following:

- Service-Level Agreement signed between NMU and the Department of Sports, Arts and Culture (DSAC);
- Policy, project and progress reports;
- DPME: Guidelines for developing strategies;
- Government strategies;
- Industry reports;
- Academic articles;
- Industry and/or policy reports produced by multi- or bilateral agencies;
- International resolutions; and
- Articles from the media

2 Literature Review

South Africa is a country that has relied on mining for most of its export-led economic growth. Although the need to diversify and export more manufacture products was recognised in the 1970s (Reynders et al., 1972), the country had numerous challenges. Other countries, especially in East Asia, have built their economic growth through exporting and protecting their own strategic industries (Rodrik, 2015). In most instances, countries have relied on increasing their industrial product exports (Rosen, 2009).

Export development and promotion is becoming progressively more difficult and new approaches must be pursued; both with industrial and trade policy.

> *"Given that the level of investment needed to transform economies is on a rising trend, the weakening of the export-investment-profit nexus presents a serious challenge to catch-up growth strategies throughout the developing world." (UNCTAD, 2016, p. 175)*

South Africa has many tough challenges to transform the structure of the economies in support of sustainable and inclusive growth. Given the benefits of exporting, South Africa must face up to the challenge. Clearly exporting has many benefits both for South Africa, individual enterprises and artists. These benefits are discussed below.

2.2 Economic Justifications for Government Intervention

Increasing export ranks among the highest priorities of any government. There is a body of literature giving empirical proof for relation between export and growth. Surveys citing empirical evidence include Giles and Williams (2000) and Harrison and Rodríguez-Clare (2009). The point is also made by UNCTAD who state that "export promotion played a critical role in long-run growth by supporting a virtuous circle of investment, innovation and poverty reduction" (UNCTAD, 2008, p. 1).

The role of exports in promoting economic growth has been widely accepted by academics and government. These benefits accrue to both individual firms as well as the nation as a whole.

Disdier et al. (2010) found that cultural flows has a statistically significant and positive influence of on overall trade. They suggest fostering domestic cultural creation could have wider economic impacts that also justifies government interventions. Kabanda (2018), discusses arts production and distribution as 'an untapped and unmeasured economy' and also recognises that globalisation is advancing rapidly.

The trade in CCIs has positive impact from an economic view but needs to take into account the protection of cultural goods. The provisions for 'protectionist' measures in The UNESCO Convention on Cultural Diversity has support from protectionism. The positive impact of trade in CCIs must be balanced with the need to preserve and protect South Africa's cultural heritage (Shin, 2015).

2.2.1 Benefit to the Country

Gouws (2004) points out that trade plays a crucial role in the economic development of many countries and helps to improve the general standard of living. Some of the advantages of exporting at a national level include:

- Growth;

- Better utilisation of national resources;
- Increased overall level of technological and economic development;
- Improved global competitiveness;
- Expansion and development opportunities beyond the local market;
- Increased job opportunities and reduced unemployment;
- Better-paying jobs;
- Earning foreign currency required to pay for essential imports and services, as well as for advanced technology not currently available in the domestic market.

Most governments pursue economic policies aimed at increasing export earnings (Gouws, 2004). Belloc and Di Maio (2011) identify five economic justifications (usually related market failures) for government's intervention in export development and promotion. These include Marshallian externalities and infant industry protection; information problems, coordination failures, credit and other market imperfections; comparative advantage discovery; spillovers and learning-by-doing and production of knowledge goods and R&D spillovers

Marshallian externalities of occur from industry spillovers from one industry to another. These spillovers could arise from upstream and downstream linkages (Krugman, 1987). Technology-based economies of scale could also cause these spillovers (Krugman, 1996). Pistoresi and Rinaldi (2012, p. 7) show how achieving economies of scale increases productivity (Krugman, 1995), bringing down the average cost of goods and also pushing the long-run aggregate supply curve out.

Ricardo, in his 1817 book "On the Principles of Political Economy and Taxation" (Ricardo, 1951) shows that countries focusing on their areas of comparative advantage increases the welfare of the respective trading nations. Belloc and Di Maio (2011) show how comparative advantage can be revealed through exporting.

There is an asymmetry in information and coordination failure between upstream and downstream firms. There are also other market imperfections e.g. in the credit and financial markets. (Belloc and Di Maio, 2011). Hausmann, Rodrik and Velasco (2005) argue that assisting and facilitating coordination through information provision are better interventions than subsidies.

> *Today's policymakers can no longer expect export-led production and trade of manufactures that fuelled industrialization in the East Asian tigers to produce similar outcomes. This is not to say that countries should no longer seek export markets; rather, a much more strategic approach is needed in which countries are more selective in their choices of processes, products and product markets.(UNCTAD, 2016, p. 191)*

Global opportunities are extremely varied and sectors with high potential will differ across countries, these differences reflecting differences in factor endowments, locational advantages, and scale or agglomeration effects.

Schoer (2013) points out that South Africa has two main export markets. Firstly, there is a regional market. This market's per capita incomes are lower than in South Africa. Secondly, there is a wider international market with higher per capita incomes. He shows that workers in firms that export to the region earn less than those that produce for the domestic market. However, workers for those exporters selling outside the region earn more than both domestic producers or region-only exporters. He ascribes this difference in wages to the premium the different types of exporters pay for skills. A policy implication is that there is a need to upskill workers appropriately, if firms are going to remain competitive and export.

2.2.2 Benefit to Enterprises

Enterprises benefit from exporting in a number of ways. Exporting firms tend to be more productive, more innovative, more profitable, and pay higher wages. Exporters learn a lot from foreign businesses with whom they come into contact with or do business with. These lessons contribute to their performance in the local market as well.

The commercial benefits for a company include:

- Increased sales;
- Increased profits;
- Reduced risk;
- Lower unit costs;
- Economies of scale;
- Reduced seasonal fluctuations in sales;
- Extended product life cycle (Gouws, 2004).

In addition, exporters are perceived as producing better quality products of “export quality.” This has a positive contribution on both domestic and international operations.

2.2.3 Benefit to the Individual

It has often been said that creative people draw their “energy” from the people around them. Being exposed to foreigners, especially in their own countries, contributes to this “energy” and creativity. This contributes to their own creativity and therefore the products or services they produce.

It will be an opportunity to travel and needs different people and see many different countries that you probably would not have been unable to do otherwise.

2.2.4 Protecting and Promoting Culture

With globalisation and the increasing movement of people from country to country, the demand for “novelty” goods increased and with it the trade in cultural goods. This trend has increased with information and communication technologies (ICT). Some cultural goods are not renewable while others such a music and film can be replicated quite easily. Music and film have an exceptionally low marginal cost and there is almost frictionless movement between countries largely because of ICTs. This hampers the development of indigenous music and film industries. On the other hand, exports of unique cultural artefacts, that have a cultural value far higher than the monetary value, are lost to South Africa when exported. It has been argued that free trade in cultural products can either promote or obliterate cultural. Shin (2015) points out that the problem of increase trade and cultural diversity need not be an either-or choice between achieving economic benefits and protecting cultural artefacts.

It is recommended that the CCI Export Strategy focus on the export promotion of CCI products that will not result in the loss of national treasures.

2.2.5 Imperative to Export

The benefits of exporting to a nation are generally undisputed. What should be exported and where the products should be exported to all subject to debate, however. But since exporting benefits South Africa, enterprises and creatives themselves, and export drive should be pursued as this will have a positive net impact on society in general (Gouws and Moore, 2013; Gouws and Jordaan, 2016; Govender, 2016; Govender, Stern and Ramkolowan, 2016).

2.3 Trade Promotion Organisations

Research has shown mixed evidence about the relationships between TPOs and export performance. Lederman et el. (2006) point out that the number of national export promotion organisations (TPO) has tripled since the 1990s and these have become integral in economic development policies. TPOs have been disparaged because they are inefficiency especially developing countries (Hogan et al., 1991) and have tried to adapt. Lederman et el. (2006) show the impact of existing TPOs and show that TPOs have a strong and statistically significant impact on exports. They estimate that on average $1 of export promotion results $300 increase in exports. Other researchers (Lages, 2000; Lages and Lages, 2002; Lages and Montgomery, 2005; Ali and Ndubisi, 2009; Quaye, Sekyere and Acheampong, 2017) also find that TPOs are effective, while others (Ayob and Freixanet, 2014) are less positive and find that programmes are useful to assist exporters, but not necessarily to increase export turnover. Shamsuddoha, Ali and Ndubisi (2009) found that there is a positive but indirect impact of finance- and guarantee-related assistance to export performance.

TPOs provide a variety of services and use many instruments. Information is an important instrument and Ayob and Freixanet (2014) found that programmes relating to export information and that provide knowledge and insight are more useful than financial assistance.

Although experience has indirect effect on export performance, but Haddoud (2017) found that relationships with foreign buyers had a positive impact on export performance. Quaye, Sekyere and Acheampong (2017) echo this and find that trade fairs and foreign offices are important contributors to success.

According to Seringhaus and Rosson (1990) (that were confirmed by others including Ayob and Freixanet (2014)) there are two major problems with TPOs and their services

1. The enterprises that need their services are unaware of their existence; and
2. The programmes offered are not appropriate

Lederman et el. (2006) do point out that there are strong diminishing returns and therefore, TPOs should remain small.

2.4 Export Development

The NDP notes that South Africa should be “Increasing exports, focusing on those areas where South Africa already has endowments and comparative advantage, such as mining, construction, mid-skill manufacturing, agriculture and agro-processing, higher education, tourism and business services.” It points out that decline in demand from traditional western trading partners has been offset by increased demand from Asia and higher prices for commodities. However, it is of concern that high value added and labour-intensive exports are slowing. It is clear that more attention needs to be given to these products while maintaining current markets. The NDP highlights the linkages between export, trade and industrial policies; and notes that industrial policy should also support sectors and industries that can best produce the goods and services required of the new markets South Africa wishes to serve.

2.5 Drivers of Export

For successful exporting, thorough understanding of the drivers of export is necessary. Many of the drivers are sine qua non. In other words, if all other factors are put in place and one factor is missing, exports are impossible. The diagram below shows many of these.

The proposed steering committee should use these as a checklist to ensure that all aspects and drivers are in place. It is therefore necessary that all of the stakeholders responsible for the implementation or provision of the services are included on the proposed steering committee.

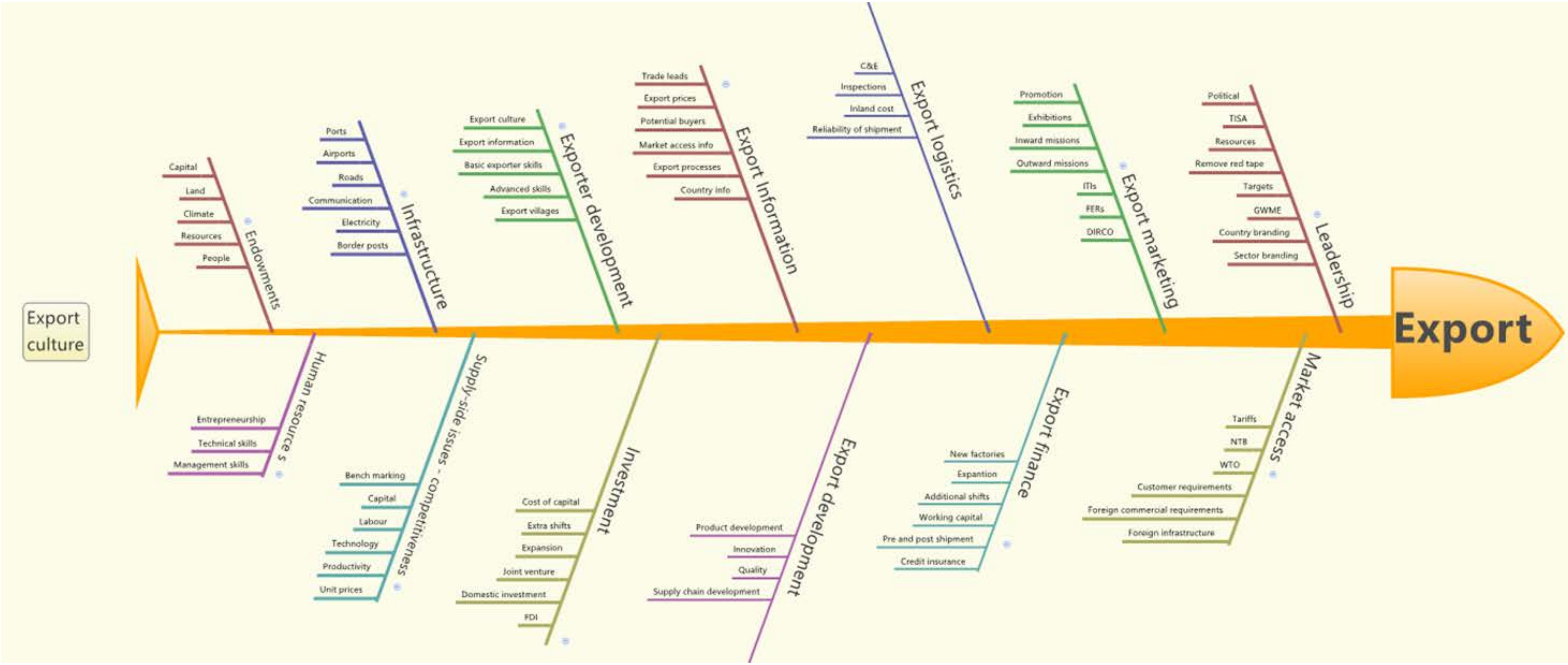

Figure 1: Drivers of exports

Source: Author

2.6 Alignment with Industrial Development

South Africa's industrial policy is guided by the National Industrial Policy Framework (NIPF) (Republic of South Africa and Department of Trade and Industry, 2007b) and is implemented through a series of Industrial Policy Action Plans (IPAP). The NIPF is aligned to the NDP (National Planning Commission, 2012) which is South Africa's long-term socioeconomic development roadmap. This policy is the cornerstone and blueprint for a future economic and socioeconomic development strategy.

CCIs have become a prominent feature of the South African policy landscape since the publication of the Cultural Industries Growth Strategy report in 1997 and the development of industry specific development programmes on the part of both the national DSAC[1] and the DTIC[2]. These eventually led to the drafting a strategic framework, the Mzansi Golden Economy Programme. The Revised White Paper for Arts Culture and Heritage is informing the development of CCIs in South Africa. The DTIC, on the other hand. has also clearly recognised the importance of CCIs to the overall economy and established a Creative Industries Sector Desk. Customised sector programmes and strategies for film and craft have been developed.

Several of organisations, agencies, institutions and government departments (at all three spheres of government) provide financial support for developing and the internationalisation of CCIs.

2.6.1 Sectoral Masterplans

A number of sectoral masterplans have been developed or are currently been drafted as part of South Africa's Re-imagined Industrial Strategy. NMU has been appointed to facilitate the development of a Sectoral Masterplan for the Creative. The Cultural and Natural Heritage Domain and the Design and Creative Services Domain are not included in the masterplan. The Re-imagined Industrial Strategy envisages that the adoption of masterplans will harness the commitment by all role-players, stakeholders and beneficiaries towards implementing the actions required to fulfil the vision of the South African government whose emphasis is on building partnerships with the private sector in order to unleash job-creating investment.

South Africa has a small market and therefore any industrial strategy that is developed must include an export component.

2.6.2 Value Chains

Porter (2011) summarised the value chain as "the set of activities through which a product or service is created and delivered to customers." Creative industry value chains are generally complex. This deters investors and assessing risk is complicated. Underperformance along the value chain can jeopardise the entire product, service or production. For example, sloppy post-production or limited distribution will damage all the excellent work undertaken in the film value chain.

Porter's value chain is presented below.

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[1] DSAC is a merger of the Department's of Sport and Recreation; and of Arts and Culture as announcement by President Cyril Ramaphosa on the reconfiguration of departments on 14 June 2019.

[2] The DTIC is a merger of the Department's of Trade and Industry; and of Economic Development as announcement by President Cyril Ramaphosa on the reconfiguration of departments on 14 June 2019.

Figure 2: A Typical Porter-Type Value Chain

Source: Porter (2011)

However, each part of the value chain is not necessarily as valuable as other parts. South Africa should aim to capture as much of the value chain as possible and focus on the areas with the highest added value and job creation potential. The so-called "smiling curve" is a graphical depiction of how value added varies across the different stages of bringing a product on to the market and was first proposed by Stan Shih n 1992 (Dedrick, Kraemer and Tsai, 1999).

It shows that areas with the greatest creativity are the areas with the highest value added as shown below.

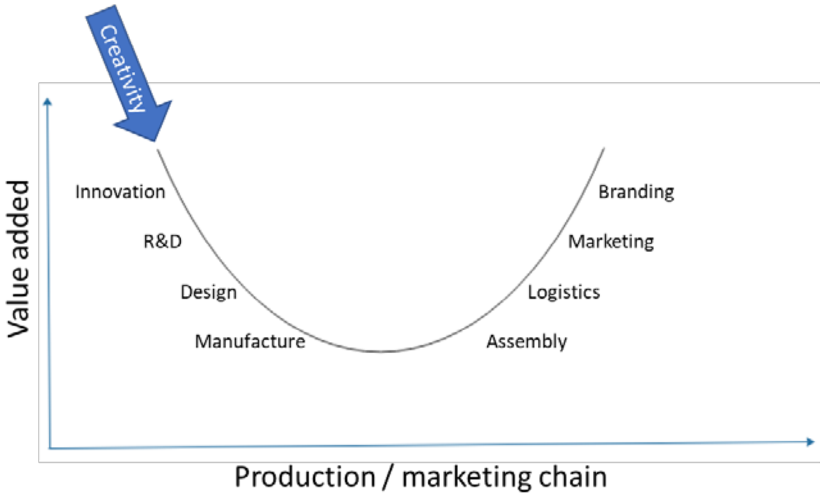

Figure 3: A Typical Shih Value Chain

Source: Dedrick, Kraemer and Tsai (1999)

Although the “U-shaped” smiley face value chain is most common Stachowiak and Stryjakiewicz (2018) show that it is almost an n-shape. It therefore cannot be assumed that all value chains are the same, especially in CCIs. Research is necessary therefore, to identify which areas of the value chain capture the most value and then to develop those areas as a priority.

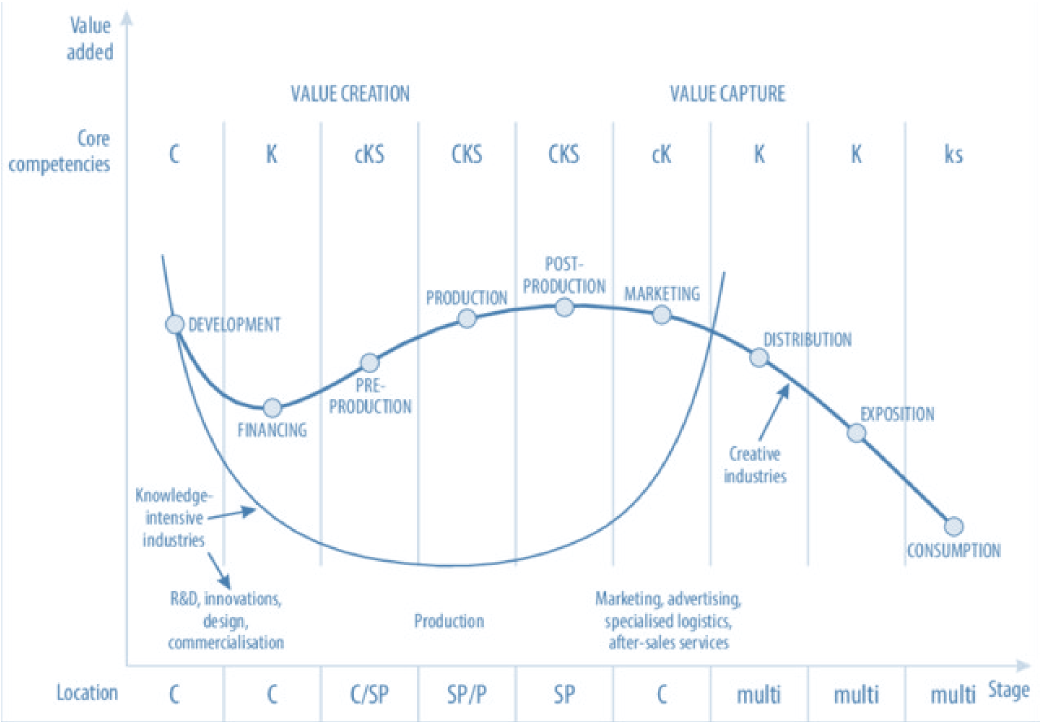

Figure 4: Value Chain in Creative Industries and the Role of Core-Periphery Location

Source: Stachowiak and Stryjakiewicz (2018)

2.6.3 What You Export Matters

Ricardo (1951) formulated the doctrine of comparative advantage that predicted that firms would export products determined by the country’s comparative advantage. However, recently we now have seen the phenomena of intra-industry trade and that firms develop certain niche markets and differentiate their products (Krugman, 1979, 1995, 1996)..” Country’s endowments of natural resources, physical capital and human capital, as well as institutions play an important role in determining relative costs, patterns of specialisation and therefore its patterns of trade.

Hausmann, Hwang and Rodrik (2006) state that “local cost discovery generates knowledge spillovers, specialisation patterns become partly indeterminate and the mix of goods that a country produces may have important implications for economic growth, Countries need to focus on supporting the development of goods and services that are higher on this quality spectrum.” These, they argue, will tend to perform better economically. These finding have been applied and expanded subsequently (Huber, 2017; Aslanoglu, Erdogan and Deniz, 2020; Fang, Gozgor and Pekel, 2020).

2.7 Export Culture and Propensity to Export

Gouws and Moore (2013) point out that “South Africa does not have a robust export culture.” Although there are firms that are born global, especially in new high tech products that require economies of scale, many SMMEs need to be encouraged or enticed to start exporting. South

Africa therefore needs to build an export culture and this can be carried out through export activation measures including “export awareness” workshops. An export culture exists when firms decide to actively pursue foreign markets. Many businesses keep away from exploiting foreign markets because of either the actual or even the perceived difficulties. Non-exporters prefer to sell to the domestic market because it is easier and often more profitable.

Developing an export culture is essential and as significant as having an entrepreneurial culture. Many countries export agencies see this as essential but nevertheless a big challenge (Cisneros-Reyes et al., no date; Sheykhi, Ghayoomi and Dastjerdi, no date; Panagariya, 1995; Shaw and Hughes, 2001; Lianu, 2010; Lianu, Rădulescu and Lianu, 2018; Zhu, 2018).

> *A national export culture occurs when there are many firms that have developed an “export mentality.” This takes root in an organisation when there is widespread knowledge of and support for export. The acquisition of exporting knowledge in the accumulation of organisational memory will not occur just by virtue of recruiting several experienced export employees. (Gouws and Moore, 2013, p. 24)*

2.7.1 Developing an Export Culture and the Activation of Exporters

South Africa, in common with many resource rich countries, does not have an export culture. There are a number of potential exporters that have either not considered the possibility of exporting or have rejected exporting because the learning curve is very steep and the task seems too difficult. Potential exporters often have a lot on their plates just focusing on their normal day-to-day activities and are loath to investigate new opportunities, especially those with risks, even though the rewards may be relatively high.

Many small and especially very small firms simply do not have the resources to even attempt to start exporting. They are unaware of assistance that is provided and also often do not have the networks, either in South Africa or in foreign countries, that they can use to export.

A special drive needs to be undertaken together with suitable partners to inform non-exporters of how to prepare themselves to export and also to encourage all firms to start exporting or exporting more.

However, before export activation can be addressed, systems need to be set up to support exporters and potential exporters. Potential exporters need to know if they are export ready and what to do to ensure they become export ready. Exporters and potential exporters need information. Information Systems need to be in place before export activation begins. Similarly, many exporters and potential exporters need specific training that will assist them in becoming better exporters or becoming export ready. Again, training programmes need to be in place with suitably qualified trainers and facilitators (Blees et al., 2003; Lee, 2011; Ha et al., 2017; Kang and Jeong, 2018).

2.7.2 Export Readiness

CCIs are generally SMEs and generally SMEs are contributing more to exports and therefore contribute to economic growth of a country (Rosnan et al., 2016). As can be expected SMEs with limited knowledge and limited resources, and who also face competition with multinationals, and many other factors, battle to start exporting. Nevertheless SMEs have shown that it is possible to export but should be ready to export if they are not going to fail and squander valuable resource (Brandi, 2013; Rosnan et al., 2016; Balibali, 2018; Gerschewski, Scott-Kennel and Rose, 2020).

Gouws (2004, 2019) has developed an online export-readiness checker for South African firms that can be used, not to give a “yes or no” that a potential exported is ready or not, but rather evaluates areas where exporters need to develop or address to improve their chances of becoming successful exporters.

2.8 CCI Trade Literature

Despite the advantages of international trade Coyne and Williamson (2012) warn that “[o]penness to international trade means that societies are more likely to be exposed to alternative attitudes, beliefs, ideas, and values leading to a Schumpeterian process of creative destruction whereby culture is destroyed on some margins and enhanced on others.” On the one hand authorities wish to promote CCI exports for the reasons listed above. However, it is also important to ensure that cultural assets are not sold to foreigners and lost to South Africa. Similarly, there is also fear that foreign imports of cultural goods will dilute and eventually erode the cultural heritage and the country’s national identity (Bekkali, 2006). There is debate that cultural goods are in the public domain and should be available for everyone. Others argue that cultural expression should not be commodified. An international governing committee has been formed at the World Intellectual Property Organisation (WIPO) on Traditional Knowledge, Genetic Resources and Traditional Cultural Expressions to provide protection for cultural goods (Bicskei, Bizer and Gubaydullina, 2012). Certain rituals and art need to be protected from misappropriation and misuse.

South Africa needs to strike a balance between protecting our cultural heritage as well as promoting our cultural heritage. Focus should be on developmental aspects such as employment and economic growth while ensuring that cultural heritage is not commodified and rendered worthless. Cultural consumption by foreigners could have a positive impact on the “utility” of culture. Nevertheless, it is crucial that the “owners” of the cultural group are willing to disseminate this to others and even to export it. The utility and value of cultural goods can diminish as outsiders and especially foreigners consume them (Bicskei, Bizer and Gubaydullina, 2012, pp. 104–105).

Imports of certain cultural goods can also have a negative impact on the development of South Africa’s own CCIs. For example, foreign films displace South African films even though these forms may be in local languages and depict typical local culture. This is especially true when economies of scale play a role and the fixed costs to produce some creative outputs is high and the marginal cost, including distribution costs, are low. How countries protect their CCI is included in the General Agreement on Trade in Services (GATS) of the World Trade Organization (WTO). Unfortunately, many countries use exemption clauses of GATS deal with “cultural externality” of economic integration. Bekkali (2006, p. 7) shows how various broadcasters including the European Union, Canada and even South Korea are required to reserve the majority of broadcast time for their own people and businesses.

With the rapid advancement of technology the question of how to protect and regulate the traditional domestic media ecosystem and a unregulated digital space is becoming more important. In 2017 the Canadians developed the Creative Canada Policy Framework (Department of Canadian Heritage, 2017) that sought to address this problem. This policy framework supports the development of international demand and supporting cultural entrepreneurs. It recognises that any regulatory process will be problematic because of rapid change in technology (Davis and Zboralska, 2019).

Brodie and Yates (2018) investigate the illicit trade in cultural goods and also how this trade takes place, its trafficking routes, who is involved, and the patterns of trade. New technologies are used by both the perpetrators and law enforcement. The illicit trade continues to take place despite a plethora of legal instruments, political declarations and resolutions aimed at strengthening the protection of cultural property and cultural heritage. They estimate that almost 700.000 antiquities amounting to just over €300 million are sold in Europe. Part of the illicit trade has now even shifted online. Small items are particularly vulnerable because they can be sent by post or courier to the buyers. There are also links to organised crime and the funding of terrorism. Unfortunately, measures to prevent this illicit trade will also make it more difficult for legitimate South African exporters of CCIs to find foreign markets.

Despite the potential pitfalls of CCI exports, openness to international trade generates a net positive effects on economic culture (Coyne and Williamson, 2012).

Looking at the trade in reproducible cultural goods, including publications and audio-visual exports, Disdier et al. (2010) found a common language fosters bilateral trade flows particularly in books and newspapers. Bilateral trade flows in CCIs are also fostered by colonial links. Disdier et al. (2010, p. 592) using the gravity model find "trade flows of cultural goods seem overall impacted by the same factors than goods in general, we might, however, argue that the specificity of cultural trade is to impact deeply values, perceptions, etc. of the importing country, as often stressed by politicians." Their findings are robust and show that the gravity model can be used in the analysis of trade of CCIs successfully.

Design and design skills are at the heart of the fourth industrial revolution and provide the requisite tools (Design Council, 2018). Design instigates the growth, innovation and jobs that will drive exports. Although designers draw on cultural assets, their products and services that are produced are generally replicable and therefore do not pose a threat to the protection of cultural heritage. Design is found in practically all sectors and particularly the manufacturing sectors. Innovation is not possible without qualified designers. This paper does not look at the Design and Creative Services Domain specifically, but does recognise that it needs to be developed to ensure the success of exports of other sectors. The Design Council (2015) recognised the importance of identifying designers (and therefore the need for a database as discussed below) as well as identifying and developing clusters that are competitive, have a comparative advantage and therefore are suitable for exporting.

3 Institutional Framework

There are several institutions internationally and in South Africa (at a national and subnational level as well as those with a sectoral focus) that can assist with both the formulation of a CCI Export Strategy but more especially with the implementation and execution of the strategy.

3.2 Domestic Institutions

Trade Investment South Africa (TISA), part of the DTIC[3] is the official trade promotion body in South Africa at national level. Its main goal is to expand market access opportunities for the exportation of South African goods and services. TISA's main contribution to this goal is increasing South Africa's exporter base and promoting trade, by developing a sustainable long-term competitive market positioning and international profile for the country. It will

[3] Department of Trade Industry and Competition was established after the merger of the Department of Trade and Industry and the Economic Development Department.

continue to leverage market opportunities to benefit South Africa's economic development priorities. The two relevant functional areas include:

- Export Development and Support: develops national exporter capacity by implementing the National Exporter Development Programme (NEDP) through export capacity building initiatives, processing of trade intelligence and promotion of an export culture to expand the country's exporter base;
- Export Promotion and Marketing: promotes exports of South African value-added goods and services through strategic export promotion mechanisms to increase market share in targeted high growth markets and sustain market share in traditional markets.

The DTIC administers the Export Marketing and Investment Assistance (EMIA) scheme develops export markets for South African products and services and to recruit new foreign direct investment into the country. Its objectives are to:

- Provide marketing assistance to develop new export markets and grow existing export markets;
- Assist with the identification of new export markets through market research;
- Assist companies to increase their competitive by supporting patent registrations, quality marks and product marks;
- Assist with facilitation to grow Foreign Direct Investment (FDI) through missions and FDI research; and
- Increase the contribution of black-owned businesses and Small, Micro, Medium-sized Enterprise (SMME) to South Africa's economy[4].

In addition, there are a number of subnational development agencies that have trade promotion components.

3.3 Export Development and Promotion Internationally

Perhaps the leading international trade promotion organisation is the International Trade Centre (ITC) based in Geneva, Switzerland. It is the focal point in the UN system for technical cooperation with developing countries in trade promotion. The ITC has been mandated by both the WTO and the United Nations through the UNCTAD. It is an executing agency of the United Nations Development Programme (UNDP) and is responsible for implementing UNDP-financed trade promotion projects in developing countries and economies-in-transition. The focus is on strengthening the business sector in emerging and developing economies and supporting TPOs generally. They are also involved in improving the international competitiveness of SMMEs.

There are other import promotion agencies such as the Netherland's Centre for the Promotion of Imports (CBI). They offer export coaching programmes, provide technical support, develop market information on potential export sectors and also advocacy.

Other international agencies include The Belgium Development Agency; Make Trade Sweden; Virke, The Enterprise Federation of Norway; Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ); Finnpartnership; the Swiss Import Promotion Programme (SIPPO); and the Import Promotion Desk.

[4] http://www.thedtic.gov.za/sectors-and-services-2/1-4-2-trade-and-export/export-marketing-and-investment-assistance-emia/?hilite=%27export%27%2C%27councils%27

Table 1: Import Promotion Organisations

Pacific Islands Trade and Investment Commission (PITIC)	www.pitic.org.au
Trade Facilitation Office Canada (TFOC)	www.tfoc.ca
Danish Import Promotion Office for Products	www.dipo.dk
Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH	www.gtz.de/english
Japanese External Trade Organization	www.jetro.go.jp
Netherlands/EU Centre for the Promotion of Imports from Developing Countries (CBI	www.cbi.nl
Association of Swedish Chambers of from Developing Countries (DIPO)	www.cci.se
Swiss Import Promotion Programme (SIPPO)	www.sippo.ch
Norwegian Agency for Development Cooperation (NORAD)	www.norad.no
Italy Département de la coopération, desinvestissements et des relations UE & OMC Istituto Nazionale per il Commercio Estero (ICE)	www.italtrade.com

3.4 Other Institutions

3.4.1 The Cape Craft & Design Institute

The Cape Craft & Design Institute (CCDI) was set up in 2001 to promote and grow craft as an economic sector in the Western Cape. A Section 21 not-for-profit company, the CCDI is a joint initiative of the provincial government of the Western Cape and the Cape Peninsula University of Technology. The CCDI has also been adopted by the DTIC as a model Craft Hub, to serve as a template for the establishment of other similar craft institutes in the other provinces of South Africa. The CCDI has three main programmes: creativity, design and innovation, which includes a FabLab; enterprise development and training; and the market access programme. This latter programme includes a specific export element.

3.4.2 Trading Houses

An important consideration for many South African companies is to focus on production and leave the export marketing to trading houses. It is important that these “exporters” are encouraged and catered for by supporting the growth and development of trading houses. Typical trading houses would provide many of the following services:

- Market selection and market research;
- Customer identification and evaluation;
- Commercial and technical negotiations;
- Vendor development;
- Product/packaging adaptation and technology upgrading;
- Imports, particularly of items required for export production;
- Financial arrangements including securing credits;
- Counter-Trading;
- Protection against export risks including insurance;
- Ensuring payments;
- Export documentation and shipping;
- After-sale service and spare-parts availability;

- Project exports, consortia and tender business;
- Creating foreign distribution networks.

3.4.3 Export Councils

In 1998 the DTIC initiated the formation of Export Councils as industry bodies with the purpose of stimulating export growth; growing the exporter base; promoting the participation of SMEs and Black Economic Empowerment companies into the export sector; increasing job creation and sector development. The Export Councils provide a platform for the interaction between the DTIC and exporters and potential exporters. Their main focus was to drive the level of South African exports and thus contribute to economic growth and job creation.

Export Councils are established as not-for-profit companies which consist of representatives of individual companies in a particular industry and they have the objective of promoting the industry as a competitive exporter of products and services to foreign markets. Export Councils are established through an application from industry to the DTIC for a matching grant; they are required to develop a constitution and submit a business plan to the DTIC. The support makes provision for to industry associations to form Export Councils.

The Export Councils are a key component of the support architecture for export development, and are promoted by the DTIC as “partners in accessing the global marketplace as a collective force. Export Councils collectively set export targets and seek to achieve these with assistance from the DTIC. The export council approach has been tailored to take small business development into account.”[5]

In 2011 Kaiser and Associates were appointed to review and make recommendations on the export council model. They found that there are 19 active Export Councils and three industry associations that also perform the functions of Export Councils; they have a total membership of 1 700 exporters. Their budgets range between about R1-million and R40-million (with reliance on the DTIC funding ranging from 2% to 80%). This in turn has resulted in varied capabilities of each of the Export Councils. The review also found that membership of the export councils has remained stagnant.

The report identified the various operational challenges faced by the Export Councils including:

- Lack of information;
- Lack of financial sustainability;
- Limited capacity in both Export Councils and the secretariat;
- Inadequate communication;
- Inadequate access to Export Councils in particular for enterprises based in other parts of the country;
- Weak coordination, and
- Insufficient governance reporting that is compliant with government requirements.

Export Councils (including industry associations) that are currently in place include the following industries or sectors: the automotive industry; built environment (which includes the various components of the construction industry); capital equipment; fresh produce; boat builders; cosmetics; electro-technical; flowers; footwear and leather; steel fabrication; textiles; wire; wine; steel tubes; equine; fruit and vegetable canners; ostrich; aluminium; iron and steel; stainless steel; and jewellery.

[5] The DTIC website

One of the gaps of the Export Councils approach is they could be better aligned to IPAP sectors and TISA sector desks. This would provide for greater synergy between the export policy support framework and industrial policy. Export Councils could also be better utilised during trade negotiations to obtain the views of the business sectors, and would therefore tie into the trade policy approach of the DTIC.

3.5 World Fair Trade Organization

The World Fair Trade Organization (WFTO)[6] created in 1989, is a global association of nearly 300 organisations in over 60 countries. Members are Fair Trade include producer cooperatives and associations, export marketing companies, importers, retailers, as well as national and regional Fair Trade networks and Fair Trade Support Organizations. Its mission is to improve the livelihoods and well being of disadvantaged producers by linking and promoting Fair Trade Organizations. Its core fields of activities are developing the market for Fair Trade; building trust in Fair Trade; speaking out for Fair Trade; providing networking opportunities; and empowering the regions.

In 2004 WFTO launched the Fair Trade Organization (FTO) Mark which identifies registered fair trade organisations worldwide and guarantees that standards are being implemented regarding working conditions, wages, child labour and the environment. These standards are verified by self-assessment, mutual reviews and external verification. The mark can be used by WFTO members that meet the requirements of the necessary standards.

3.6 Conclusion

Although there are many institutions and organisations that help promote trade as well as the development of CCIs, there is no dedicated organisation that promotes the export of CCIs.

It is proposed that an Export Council for each of the Performance and Celebration; Visual Arts and Crafts; Books and Press; and Audio-Visual and Interactive Media domains be established with the support of DTIC, DSAC and the National Arts Council. These Export Councils should be housed or supported by the relevant industry associations that are associated with CCIs. It is further proposed that these Export Councils be established as a matter of priority before the CCI Export Strategy is developed and that these councils together with SACO develop the strategies for approval by government[7].

It is recommended that once a formal export strategy has been developed for the CCIs these organisations be approached for support.

4 Applicable South African Legislation and Policies

The Rule of Law is entrenched in the South African Constitution and all policies across different departments and spheres of government must be consistent and aligned to each other. Further, South Africa is also a signatory to many international agreements that must be honoured. This section will look at what legislation and policies have an impact on CCI exports.

4.2 Alignment

Policies are derived from legislation and other mandates. Different departments and organs of state at all three spheres of government develop policies and strategies to implement

[6] formerly the International Fair Trade Association

[7] There are already Export Councils that include CCIs such as the Build Environment Export Council Clothing Export Council, South African Footwear and Leather Export Council, South African Jewellery Joint Action Group.

these mandates. In the field of export, there are a number of policies, plans and strategies that are relevant to a CCI Export Strategy.

4.3 NDP

Besides the South African Constitution, the NDP is the overarching development plan for South Africa as a whole. It covers all domestic and international aspects including all government departments and organs of state at all three spheres and importantly all private sector and non-government organisations (NGO). The NDP aims to achieve shared and inclusive growth through decent jobs. This implies that labour-intensive sectors should be developed although it is recognised this is difficult because of skills shortages and mismatches in the labour market.

4.4 NIPF and IPAP

Derived from the NDP (and the various other national development plans before it including the RDP GEAR, AsgiSA, the NGP) is the industrial policy encapsulated in the NIPF. The alignment of the South African government's broader efforts to improve the competitiveness of its industry with the export strategy is therefore critical. NIPF which sets out government's broad approach to industrialisation with the following core objectives:

- To facilitate diversification beyond South Africa's current reliance on traditional commodities and non-tradable services. This requires the promotion of increased value-addition characterised particularly by movement into non-traditional tradable goods and services that compete in export markets as well as against imports.
- The long-term intensification of South Africa's industrialisation process and movement towards a knowledge economy.
- The promotion of a more labour-absorbing industrialisation path with a particular emphasis on tradable labour-absorbing goods and services and economic linkages that catalyse employment creation.
- The promotion of a broader-based industrialisation path characterised by the increased participation of historically disadvantaged people and marginalised regions in the mainstream of the industrial economy.
- Contributing to industrial development on the African continent, with a strong emphasis on building its productive capacity.

4.4.1 Industrial Policy Action Plan

The NIPF is implemented through the various IPAPs that are adapted annually. IPAPs emphasise support for agriculture and mining, the local procurement and other programmes to enhance competitiveness in the productive sectors of the economy. The first IPAP prioritised cultural industries in terms of their "potential contribution to nation-building and South Africa's international image and because they can support employment creation in tourism as well as in production of cultural goods and services" (Republic of South Africa and Department of Trade and Industry, 2007a, p. 29). The 2010 IPAP explains the designation of Film and Television as a strategic sector with reference to its employment, investment and export generating potential, as well as prospects for beneficial spillover effects into the domestic economy (South Africa and Department of Trade and Industry, 2010, p. 77). The IPAP highlights the export market as a key opportunity for South Africa's crafts sector, together with the tourism market. Policies to promote the commercial development of the sector for the local market and export include the establishment of Craft Hubs and the development of synergies with the tourism sector. More recent IPAPs (The Department of Trade and Industry, 2012, 2016; Republic of South Africa and Department of Trade and Industry, 2013; South

Africa and Department of Trade and Industry, 2015) have continued to focus on the Film and Television sector, although the Creative Industries Unit at the DTIC has moved to the Department of Small Business Development since that Ministry's creation in 2014. Recent IPAPs have identified new opportunities in the green economy, the ocean economy and exports of goods and services. There are also plans to promote African markets.

IPAPs have had mixed success (Pretorius et al., 2019) found manufacturing in South Africa has exhibited declining growth, poor productivity performance, increased unemployment (as a result of decreased labour demand), and increased imports of intermediate goods.

4.4.2 The Re-Imagined Industrial Strategy

The Re-Imaged Industrial Strategy which approved by the Cabinet in 2019 and is the centre piece of government's industrial vision coordinated. It presents a multipronged approach to industrial development with emphasis on building partnerships with the private sector to encourage investment especially job-creating investment. Masterplans are developed for priority sectors, including CCIs, together with industry, government, labour and other stakeholders.

The Re-imagined Industrial Strategy masterplans aim to harness the commitment by all role-players, stakeholders and beneficiaries towards implementing the actions required to fulfil the vision.

4.4.3 Special Economic Zone

An important tool for accelerating the country's industrial development and addressing spatial challenges are the Special Economic Zones (SEZ), enabled by the Special Economic Zone Act No. 16 of 2014. This provides an opportunity to increase exports typically by attracting FDI or relocating export sectors to those SEZs close to ports by providing a range of incentives and support systems that are often different from those that apply in the rest of the country; which creates a strong link between SEZs and the export strategy. This would help reduce costs and make South African exports more competitive. SEZs are used internationally and are tools for long-term industrial and economic development by creating an enabling and sustainable environment for foreign and domestic direct investment to thrive, and for building targeted industries, developing regions and building industrial infrastructure.

4.5 Market Access

South Africa's industrial and other sectoral policies including the NIPF requires a trade policy complements and supports South Africa's industrial upgrading and diversification objectives.

4.5.1 A South African Trade Policy and Strategy Framework

South African Trade Policy and Strategy Framework (TPSF) builds on the NIPF and sets out the contribution trade policy should make to advancing industrial development, upgrading and diversification along a growth path that addresses structural constraints in the economy, including unemployment and poverty. The TPSF sets out South Africa's key principles and approaches to its strategy for global integration with respect to engagements and negotiations at multilateral, regional and bilateral levels. It aims to provide greater clarity on the linkages between trade and tariff policy and industrial policy.

The TPSF recognises that internationally, open economies with an export base perform much better in terms of economic growth than do closed economies. Increasingly, production is becoming globally integrated, and South Africa forms a vital part of international supply chains.

Therefore, dismantling barriers to trade, especially those faced by South African exporters, is a critical component of any economic strategy that promotes sustainable growth.

The framework sets out the broad principles and methodology for moving beyond its traditional focus on tariffs to encompass a range of so-called ‘new generation’ trade issues including:

- Trade in services;
- The trade dimensions of investment;
- Competition;
- Intellectual property;
- Government procurement, and
- Labour and the environment.

Trade policy remains an instrument of industrial policy in a context of narrowing options under multilateral and bilateral trade arrangements. Trade policy will be informed much more closely by sector strategies, at both the negotiating and administrative levels.

4.5.2 The International Trade and Administration Commission (ITAC)

ITAC implements and administers tariff policy in South Africa through:

- Established legislation;
- Regulation; and
- Procedure.

ITAC’s structure and mandate are defined in the International Trade Administration Act of 2002 and its role in dealing with applications both for tariff changes and trade remedies is similar to tariff setting bodies existing in a number of other jurisdictions, both in the developed and developing world. It conducts investigations on receipt of applications, and makes recommendations on proposed tariff changes (including changes that address problems associated with import parity pricing) or the application of trade remedies. It undertakes reviews of tariffs and initiates investigations. Tariffs determinations and trade remedies are assessed on the evidence obtained in detailed investigations at firm and sector levels that consider the impact on economic output and employment across the value chain. Consultations and public comment are essential components of the process.

4.5.3 Department of International Relations and Cooperation (DIRCO)

Government’s public policy aims to solve society’s problems that includes not only the country’s fiscal, monetary, trade policies, but also it social welfare policies, military policies and it foreign policies - that are given expression in the country’s public diplomacy. Foreign policy include protecting national security, providing international leadership in developing world peace, cooperating with other nations in solving international problems, promoting human rights and democratic values, fostering cooperative foreign trade, as well as artistic and cultural cooperation. Different countries implement different models regarding the various types of diplomacy. In some countries the tasks are exclusively undertaken by the Foreign Ministry. Other countries have attaché’s that sent seconded officials by the various line departments. These officials usually report to the Head of Mission as well as to their home department.

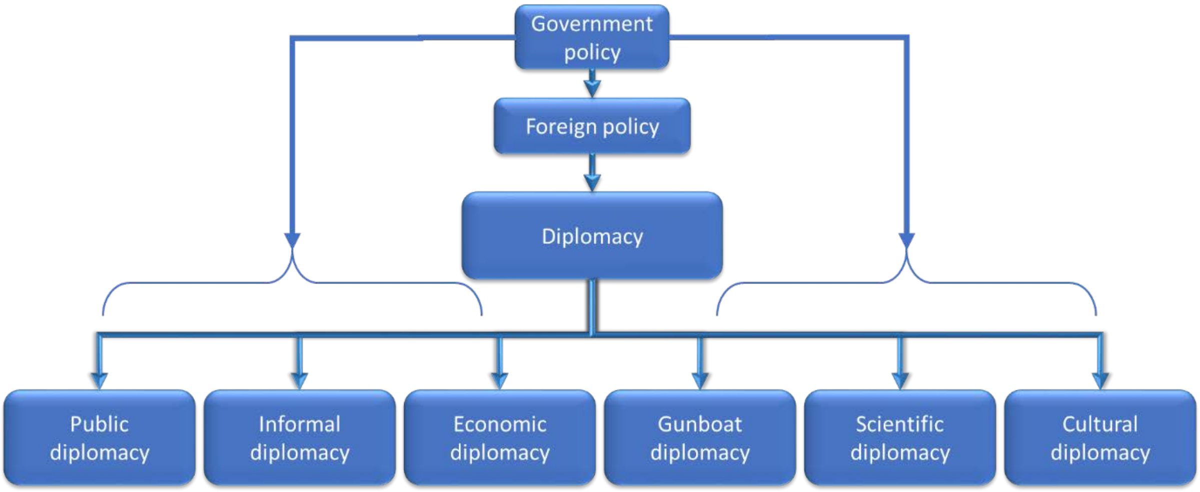

Figure 5: Categories of Diplomacy

Source: Gouws and Verster (2019)

Economic Diplomacy

DIRCO (2011) sees economic diplomacy as the use of the full spectrum economic tools of a state to achieve its national business or economic interests. South Africa's future global and continental standing will be determined by how South Africa remains true to its enduring values, economic success, and the continued leadership role on the continent. The success of its economic diplomacy will determine the extent to which South Africa can achieve its domestic priorities. For South Africa to meet these priorities, its economy must be able to participate competitively in the global marketplace.

Economic diplomacy has both multilateral and bilateral components. South Africa's economic diplomacy strengthens ties with other regional economic groupings that allow for a more strategic integration process among developing countries. Regional integration arrangements such as Free Trade Areas and Regional Trade Agreements provide the necessary environment for national companies to compete globally. The White Paper (DIRCO (2011))states:

> South African economic diplomacy in the region will therefore support an integrated development strategy for South Africa Customs Union, South Africa Development Community and the Continent Free Trade Area that includes Spatial Development Initiatives, investment promotion into the region, region-wide industrial development linkages as well as the development of supply-side capacity that will enable countries in the region to diversify their economies and take advantage of opportunities for more dynamic and diverse exports.

Successful economic diplomacy requires a close partnership with government, business, and labour. A coordinated government-wide effort is essential to promote South Africa's economic interests in the international arena. Similarly, scientific and cultural diplomacy requires close partnership between the scientific community and the artistic community. An economic, scientific, and cultural diplomacy coordination between the line departments and the foreign affairs departments is fundamental.

Cultural diplomacy can play an important role in strengthening relations between South Africa and its partners in all forms of diplomacy.

4.5.4 Cultural Diplomacy

In 2011 South Africa adopted the White Paper on South Africa's foreign policy entitled "Building a Better World: The Diplomacy of Ubuntu." The White Paper remains loyal to the constitutional principles and guides all South African diplomatic activities.

It the White Paper, Building a Better World: The Diplomacy of Ubuntu, DIRCO (2011) points out that South Africa's foreign policy is based on:

- The primacy of the African continent and the Southern African Development Community;
- Commitment to South-South cooperation;
- The centrality of multilateralism; consolidating relations with the North; and
- The strengthening of bilateral social, political and economic relations.

South Africa's policy points out that it is essential for its foreign policy to ensure that its national interests are maximised. This includes both bilateral and multilateral relations. South Africa's foreign policy takes cognisance of the socioeconomic realities that continue to prevail in the country and promotes cultural diplomacy. Indeed, the White Paper recognises that the process of globalisation has had major implications for cultures. The dilemma that has emerged across the world is the extent to which globalisation threatens existing cultures.

Since globalisation is partly driven by culture and is in turn culture is impacted by globalisation, it is important that diplomacy includes a cultural component. This is referred to as cultural diplomacy that is a subset of public diplomacy. It emphasises "soft power" and includes:

- The exchange of ideas;
- Information;
- Art;
- Language; and
- Other aspects of culture.

Cultural Seasons

The concept of Cultural Seasons may be a new concept in South Africa, but the practice is not. Many countries engage in cultural diplomacy and concepts similar to Cultural Seasons. Even at the height of Apartheid, South African diplomats crafted and re-packed cultural activities to appeal to foreign audiences for years. The first South African Cultural Season was held in South Africa and in France, organised by the French Institute and the National Arts Council, took place from May to December 2013. Subsequently Cultural Seasons were held in China, Russia, Algeria, Gabon and Kenya (A. Gouws and Verster, 2019).

There are many stakeholders or actors involved in cultural diplomacy. Their motives may therefore be different and may or may not be aligned. There are different advantages or disadvantages of cultural diplomacy for each stakeholder group:

- States or governments;
- Cultural and educational institutions;
- Non-governmental organisations;
- Businesses as sponsors;
- Businesses as producers of cultural content; and
- Individual artists.

The overarching policy framework for M&E in the South African government is managed by the Department of Planning, Monitoring and Evaluation. It not only looks at the results of projects and programmes but also if the right things are done and if these are being done in the right way. Nevertheless, it is difficult to evaluate Cultural Seasons because of intrinsic and extrinsic value that is inherent in both arts and cultural development and diplomacy.

Cultural Seasons should be used to promote the export of South African CCI products and services based on priority sectors determined using the methodologies discussed below. Cultural Seasons should be planned with the relevant Export Councils and should be aligned to the sector's export strategy. Each Cultural Season plan must have Monitoring and Evaluation (M&E) indicators including the value and volume of the CCI exports for the five years following the Cultural Season and should be included in the DTIC, DIRCO and the relevant foreign mission.

Bilateral Relations

The nature of conducting bilateral relations between states is changing. Bilateral diplomatic relations encompass a myriad of different fields linked to globalisation. Many states have now developed bilateral cooperation partnerships with each other, which take different forms e.g. binational commissions (BNCs), bilateral technical cooperation agreements, bilateral consultative mechanisms, etc. States now meet and forge closer ties on a bilateral level more than ever before.

Multilateral Relations

South Africa is a strong proponent of multilateralism as a necessary intergovernmental response to managing globalisation and the deepening interdependence of national economies. Multilateralism usually involves membership in international institutions. It tends to constrain powerful nations, discourage unilateralism, and gives small powers a voice and influence that they could not exercise.

South Africa has embraced multilateralism as an approach to solve challenges confronting the international community. In this regard, it took up a leading role in various multilateral fora, including Southern African Development Community (SADC), the African Union (AU), NAM, G77+China, the Commonwealth, and the United Nations, championing the cause of developing countries and Africa in particular.

Regional ties are also on the increase as a strategy to positively deal with the challenges of globalisation. The regional economic communities in Africa include:

- SADC;
- Economic Community of West African States (ECOWAS);
- Common Market for Eastern and Southern Africa (Comesa).

South Africa's foreign policy recognises the importance of multilateralism and a rules-based international system that is governed by international law. Unilateralism is no longer an option to address these challenges. Multilateral cooperation is more relevant than ever before in seeking equitable multilateral solutions to global problems. Groups such as the G20, Major Economies Forum, BASIC, IBSA and Brazil, Russia, India, China and South Africa (BRICS) have grown in prominence and are focused on global issues related to political, security, environment and economic matters. It is a member of the AU. South Africa is also a member of important multilateral institutions such as UNESCO and UNCTAD.

South Africa needs to use all possible institutions and instruments to further its diplomatic and especially its Cultural Diplomatic objectives.

4.5.5 Africa Continental Free Trade Area (AfCFTA)

Africa as a whole have challenges of multiple and overlapping memberships. The AfCFTA is a free trade area which was created by the African Continental Free Trade Agreement among 54 of the 55 AU nations.

The free trade area is the largest in the world in terms of the number of participating countries since the formation of the WTO. Its objectives are to:

- Create a single market;
- Deepening the economic integration of the continent;
- Further liberalisation;
- Movement of capital;
- Movement of people;
- Facilitating investment;
- Establish a future continental customs union;
- Sustainable and inclusive socioeconomic development, gender equality and structural transformations;
- Enhance competitiveness;
- Encourage industrial development through:
    - o Diversification and regional value chain development, and
    - o Agricultural development and food security.

The ratification process is still underway. The map below shows the progress.

Ratifying parties Signed March 2018, not ratified Signed July 2018 or later, not ratified

Figure 6: Progress of the AfCFTA

Source: https://en.wikipedia.org/wiki/African_Continental_Free_Trade_Area#/media/File:AfricanContinentalFreeTradeArea.svg (downloaded 6 September 2020)

4.5.6 Implication for CCIs

Within the TPSF bilateral and multilateral agreements have been negotiated and ratified. The most significant development in this regard is the African Continental Free Trade Area (AfCFTA) that is discussed below. A report is also being prepared by SACO that looks at the technical aspects of this Agreement and how best it can leveraged for CCI development.(Snowball and Cattaneo, 2019).

The AfCFTA present an opportunity to increase both closer cultural and economic relations and CCI export strategies must have a special focus on Africa as a whole and AfCFTA in particular[8].

4.6 White Papers on Arts, Culture and Heritage

The Revised White Paper Arts, Culture and Heritage (Department of Sports, Arts and Culture, 2019) is an update of the White Paper Arts, Culture and Heritage (Department of Arts, Culture, Science And Technology, 1996) sets out government policy for establishing the optimum funding arrangements and institutional frameworks for the creation, promotion and protection of South African arts, culture, heritage and the associated practitioners. It was revised and recognises arts, culture and heritage are fundamental to human society since they possess the creative and innovative means of self-actualisation and social transformation based on the social practices, values, traditions and histories of cultural communities. The Revised White Paper Arts, Culture and Heritage also has a focus on the economic value and the importance of harnessing the arts, culture and heritage for creative expression, education and training, job creation and the eradication of poverty. The White Paper recognises trade can foster income generation, job creation and export earnings while promoting social inclusion, cultural diversity and human development (Department of Sports, Arts and Culture, 2019, p 45)

4.7 INES

The DTIC through TISA has the mandate to grow South Africa's export base and increase exports of value-added products and services. The INES is a streamlined approach to export development supported by strategic export promotion in line with global best practice and other policies and strategies. The INES notes that "[a]though South Africa's trade has been growing since the 1950s, its share of world trade has fallen considerably (from approximately 25% to 0,5%), since it was unable to keep up with the rapid growth of world trade and increased globalisation during this period" (Govender, 2016, p. 5).

The Nation Vision stated in the INES states:

> *South Africa, from a globally competitive base directed by best practice industrial policy and sector development strategies, will be able to maintain market share in traditional markets and substantially increase its market share in prioritised, new high growth markets through aggressive marketing and a larger exporter community supported by a strong export culture (Govender, 2016, p. 7).*

Because changing global and local economic outlook, TISA reviewed its export promotional strategies to align them to these economic conditions including:

- sluggish growth;
- a weakening rand; as well as

[8] The SACO report should be consulted I this regard.

- constrained human and financial resources.

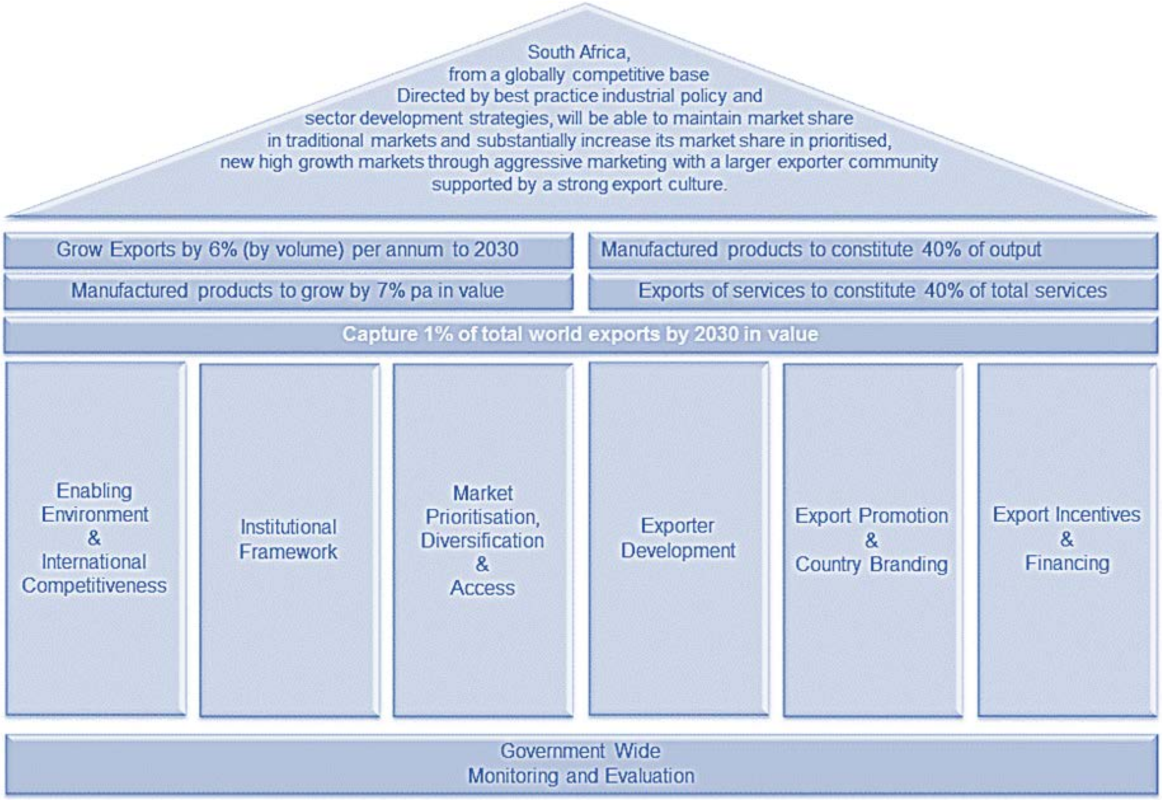

Figure 7: The Strategic Pillars of the INES

Source: Govender (2016, p. 6)

Non-economic factors such as regular droughts adversely impact South Africa's ability to export fresh produce and other inputs that are reliant on agriculture to manufacture agro-processed products. The Covid pandemic too has had an impact. Therefore, services sector feature more prominently and TISA developing a services export strategy aimed at integrating South African service providers into global supply chains of multinational firms. TISA continues to support the export of manufactured products especially those in the IPAP sectors in traditional markets. South Africa's proximity to African markets must further be exploited.

The structure of the INES is premised by the four main pillars of the INES. These pillars are:

- Improving the export enabling environment and international competitiveness;
- Increasing demand for goods and services through market prioritisation, diversification and access;
- Developing exporters, increasing export capacity and strengthening exporter performance through the NEDP; and
- Strengthening the export promotion mechanisms through enhancing South Africa's value proposition.

4.8 Enabling Environment

South Africa has an extensive road, railway and ports network, the policy framework developed for the country recognises the importance of further improvements in infrastructure and addressing infrastructure backlogs, with a view to supporting export development. The NDP, the NGP and the IPAP outline several initiatives that are required to improve the export infrastructure. In particular, the need to improve the effectiveness of ports and port infrastructure, lower port tariffs, and improve the borders with other African countries.

Exports require suitable infrastructure to facilitate safe, cost-effective and rapid international freight movements.

The government-owned Export Credit Insurance Corporation of South Africa (Pty) Ltd (ECIC) provides export credit insurance for capital goods and services. Political and some commercial risks are also covered. Government underwriting of political risk in export transactions is common internationally. The South African government in partnership with the relevant entities is currently looking at an appropriate model for financing small and medium entities by establishing public financial entity or reviewing the existing entity incorporation.

4.9 International Competition

The success of the INES would come through the factors that reduce the costs of exports including:

- Reducing input costs;
- Improving productivity;
- Improving quality; and
- Improving innovation.

The alignment of the South African government's broader efforts to improve the competitiveness of its industry with the export strategy is therefore critical to achieving the INES vision and targets.

When it comes to CCIs, creativity and innovation are very important. Snowball et al. (2019) found strong evidence that a Cape Town cluster of CCI firms combine digital technology with creative inputs to produce goods and services. Interdisciplinary cluster, with high levels of innovation in business processes, goods and services also contribute to the creativity and innovation. There is a spillover to other firms in other sectors. Promoting CCI will therefore improve competitiveness in South Africa generally.

4.9.1 Capacity Development

Without supplies, especially competitive suppliers, an export drive will not succeed. The Industrial Policy framework and associated IPAPs, agricultural development and the support given to various CCI through the DSAC agencies and provincial entities is therefore important. Both macro and micro factors that influence national and enterprise competitiveness are increasingly becoming the focus of both government and business. In an open economy such as South Africa and especially been integrated into the global economy, the linkages between these factors or sources of competitiveness have become more apparent and important. South Africa's current comparative advantage exists in sectors such as financial and business services; pharmaceuticals, information communication and technology (ICT); mining and beneficiation, including capital equipment; automotive; petrochemicals and biofuels; clothing & textiles; agriculture and forestry; agro-processing; organics and natural ingredients; biotechnology; petrochemicals; transport & storage; fertiliser and pesticides; aquaculture; leather and leather products; machinery and equipment; and energy (Govender, 2016).

4.10 Traditional Export Promotion

Traditional export promotion has focused on information from a country's embassy or high commission's trade attaches, trade missions, and exhibitions.

4.10.1 Trade Missions

Although trade missions are especially important for normal goods and services, they are crucial for CCIs. The presence of a foreign mission in a given country increases the probability of trading with that partner between 11% and 18%, (the effect being larger for those sectors producing more differentiated goods) (Volpe Martincus et al., 2007; Martincus and Carballo, 2010; Martincus, Carballo and Gallo, 2011) while having it was found that specialist trade promotion officials stimulate bilateral exports by approximately 6 – 10% for each additional foreign economic office (Rose, 2007).

It has been found that visits by heads of state has a positive impact on bilateral trade. Nitsch (2007) found that between 1948 and 2003. state visits are positively correlated with exports - associated with higher bilateral exports by about 8 to 10 per cent. Although this increase in bilateral trade may not be as high today because of the number of visits by heads of state, if properly planned, they can have a positive impact on both the long and short-term of CCI exports.

Together with Cultural Seasons, high-profile trade missions should be held in target markets where there is high potential for South African products. CCI manufacturers and service providers should also be invited and encouraged to join with the President or Ministers on state visits or summits. This will not only expose South Africa's rich cultural heritage and its diversity, but it will also present an opportunity for potential importers to be exposed to these products. During such state visits, and even as part of an Ambassador or High Commissioner's normal duties, events such as fashion shows, art exhibitions, performances by musicians or the presentation of short dramas etc., could be held together with wine tastings at the Head of Mission's receptions. Budgets are regularly approved for such receptions. The focus should however change from normal relationship building to more targeted trade promotion.

The CCI Export Strategy should also focus on the development of both diplomatic and trade officials that are been posted to South African's foreign missions abroad and ensure that they have a thorough understanding of CCIs, what can be promoted and importantly an understanding of the channels of distribution and how CCIs can be promoted.

4.10.2 Exhibitions

Exhibitions have been held since time immemorial. They are an ideal setting that brings both buyers and sellers together. Exhibitions and trade fairs are becoming more and more specialised and are either focused on a particular sector or on a particular market. The DTIC has a programme that identifies both national pavilions and financial support for individual exporters.

The export strategy should identify suitable exhibitions that can contribute to the various CCI domains. DSAC and the DTIC should be involved in determining which exhibitions are suitable annually.

The exhibitions, should be held together with other events such as Cultural Seasons or official trade missions.

4.10.3 Branding

Brand South Africa is responsible for the branding of our nation both locally and internationally. Since culture and our arts are the heartbeat of the nation, CCIs must be used both to promote South Africa as a whole but also to showcase areas where South Africa has a competitive advantage and can supply CCI products and services.

Brand South Africa must be consulted regarding the branding of South African CCI products and services.

Products and sectors should also be branded. South Africa has a rich and diverse cultural heritage. Many cultural products are being sold below their actual value and CCI manufacturers and service providers could command higher prices if a legitimate brand is attached to the product. For example, handmade baskets are sold at a “subsistence” price. If the same basket could be manufactured according to a traditional process using traditional material, and branded, they would become collector’s items and could command higher prices. By improving the marked and appropriate branding, the sustainability of traditional craft heritage will also be promoted. If demand is increased for traditional products, this will ensure the transmission of craft skills and knowledge across generations (Yang et al., 2018).

It is proposed that the CCI Export Strategy should include discussions with the various stakeholders including the various Royal Houses and the house of traditional leaders as well as organisations such as the South African Bureau of Standards to develop a policy so that products that meet the specified standard, or comply with the necessary regulations, could be branded.

4.11 NEDP

The NEDP has been designed as a catalyst in assisting industry as it recovers from the global economic crisis to spur economic growth, generate employment and broaden participation within the economy. It is the flagship that is designed to enhance the export readiness of South African companies at different levels and the lever that is used to strengthen South Africa’s institutional base to take advantage of global markets and to address South Africa’s development priorities (Davies 2011).

The NEDP proposed a franchise approach, whereby the DTIC, through TISA, takes the lead and via service-level agreements empowers other national, provincial and municipal agencies to implement specific components against agreed targets and objectives.

To achieve increased export volumes and values, three strategies are identified:

1. Retain current exports;
2. Expand or increase the exports of current exporters; and
3. New exporters should be developed.

Increased exports of existing exporters can be achieved by:

- Exporting more of the same product to the same foreign market;
- Exporting new products or services;
- Exporting to new foreign markets; and
- A combination of the above (Gouws and Jordaan, 2016, p. 28).

The mission of the NEDP is to:

- Develop a pool of export-ready companies;
- Ensure that exports grow, and new markets and products are developed;
- Ensure that effective resources are available for exporter development;
- Provide leadership to the various stakeholders involved in exporting;
- Facilitate collaboration between the various stakeholders from both the private and public sectors; and
- Monitor and ensure continuous improvement.

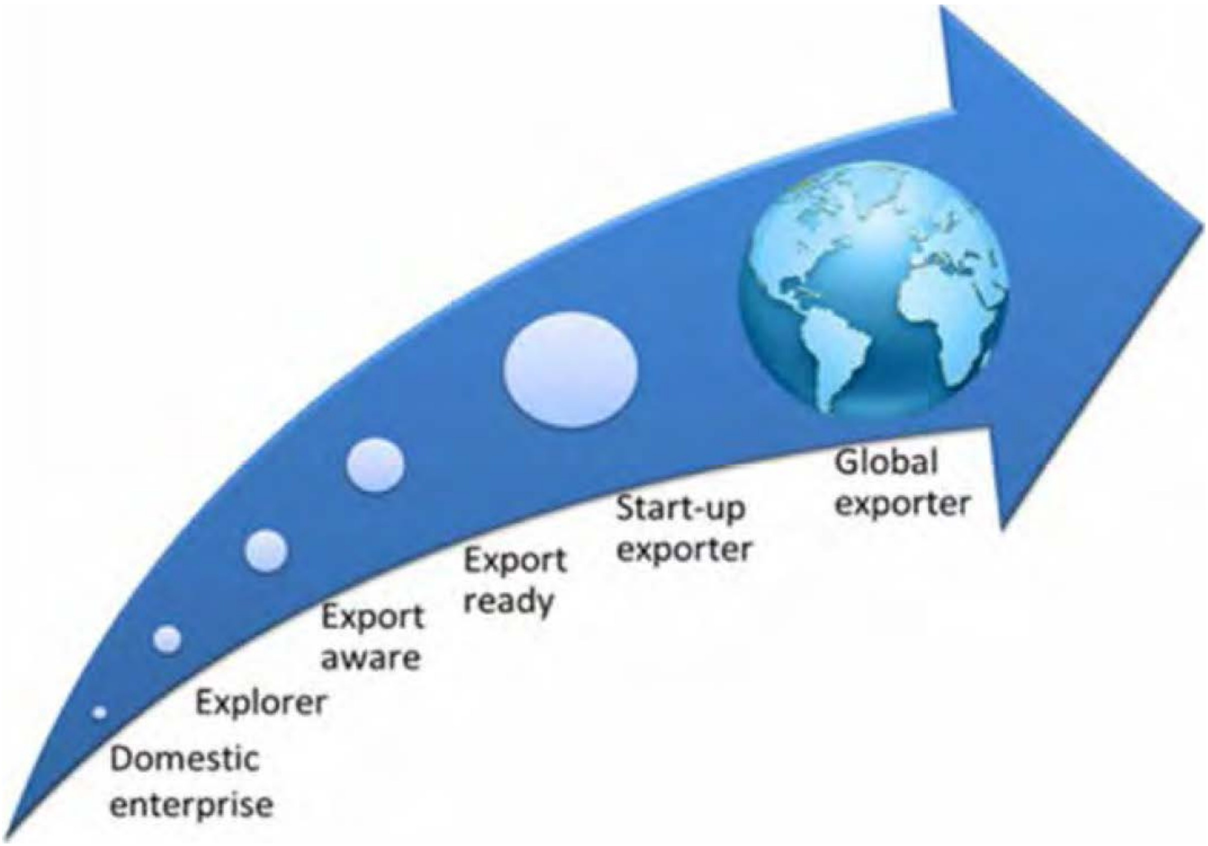

Figure 8: The Exporter Development Process

Source: Gouws (2005)

The figure above shows the exporter development process. The NEDP identifies five phases:

- Phase 1: The Explorer;
- Phase 2: The Export-Aware Enterprise;
- Phase 3: The Export-Ready Company;
- Phase 4: The Start-Up Exporter; and
- Phase 5: The Global Exporter.

The first three phases are preparatory phases. The Explorer is probably not export ready but is considering options for developing the business, of which exporting might be a possibility. All export activation measures should be aimed at the Explorer. The export-aware company know a little of what is required of an exporter and has a basic knowledge but not all the necessary knowledge and basic export skills. Basic exporter training and introduction to competitiveness interventions should be aimed at the export-aware company

The Export-Ready Company has the basics in place (product and production capacity, management skills, administrative capability, access to finance and marketing experience), and must develop an export marketing plan. TPOs should assist these companies prepare export marketing plans aligned with the other strategic plans. Areas where they are not export ready should also be pointed out to them and any assistance schemes made known to them.

The Start-Up exporter is export ready and must start implementing the export marketing plan, which now needs to be implemented. CCI this stage, government and the various TPOs can start assisting with trade missions and trade exhibitions.

The Global Exporter has probably been exporting for some time and now needs to develop new markets or products or even simply to penetrate the current export markets. This may require more sophisticated market entry and distribution strategies.

4.11.1 Exporter Assessments

Diagnostic tools – often referred to as Export-Readiness Assessments or Checkers – are widely used internationally to determine whether an enterprise is at an appropriate stage of development to start exporting. It was found during the research for the INES, a brief export-readiness checking tool is incorporated into the trade promotion agency's website for the potential or aspirant exporter to complete as a self-assessment is considered good practice.

4.11.2 Alignment

The CCI Export Strategy should align itself to the NEDP and particularly the exporter development process outlined above. Where courses and other interventions have already been adapted and are suitable for CCI enterprises, these should be used. In most cases, especially in the first three phases, generic material will probably be sufficient. However, as firms move further up the development chain, specific interventions including training programmes will have to be developed or adapted from existing material.

4.11.3 Databases

The NEDP points out that it is very important to understand the exporter and the exporting community. It states "[i]n a rapidly changing global environment accurate information that is up-to-date is even more important. Accurate data not only provides information on the status quo and the historical position, but also gives a good idea of where an organisation is heading" (Gouws and Moore, 2013, p. 25).

Exporter and Potential Exporter Database

In this regard it is important to have a database of all CCI exporters and potential exporters. This database could even be a field in an existing CCI database. SACO together with DSAC and DTIC must develop a database of all CCI's including exporters and potential exporters. National Treasury (Customs and Excise) has a database of all exporters (as well as all export transactions) that they collect from firms importing and exporting. Although this database is confidential, SACO together with DSAC and DTIC should approach the Commission of Customs and Excise requesting access to the basic contact information of the current CCI importers and exporters.

CCI Database

A CCI database could be a subset of the exporter database but should be maintained by SACO on behalf of DSAC.

DSAC should enter into a Memorandum of Understanding or a Memorandum of Association with Statistics South Africa (Stats SA) to develop a comprehensive database of all CCIs whether they are exporting or not. This will allow DTIC and DSAC to develop programmes and other interventions. The CCI database should be augmented and maintained by SACO on behalf of DSAC and the Domain Export Councils.

Service Provider Database

A database of service providers should also be developed. This will enable SACO and DSAC to assist exporters and potential exporters finding service providers that will provide the appropriate service. The categories of service providers could include:

- Trainers;
- Mentors;
- Consultants;
- Banks;
- Freight forwarders; and
- Specialist agencies (Industrial Development Corportation, ECIC, CGIC etc.).

Trade Leads

Unsolicited enquiries from foreign importers often lead to enterprises starting to export. Trade leads are particularly important for emerging exporters. Although, modern ICT tools provides a lot of information, trade leads to "push" potential exporters into becoming actual exporters. Trade leads are available from South Africa's foreign missions abroad (including both TISA's Foreign Economic Representatives and DIRCO's diplomatic staff), foreign missions in South Africa, TPOs, organised business including chambers of commerce, and even other South African exporters.

A database of CCI exporters and potential exporters will therefore facilitate the distribution of trade leads and therefore also stimulate the growth of CCI exports.

Expansion of the Databases

Databases are dynamic. Hardware and software constantly changes and new information is also collected through various administrative processes. A lot of valuable management information that would contribute greatly to export development should be collected.

Surveys are important source of information for researchers and our undertaken form time-to-time. This information could provide valuable longitudinal data and provide valuable trends that would be useful deciding on policy or strategy.

Spatial information is also becoming more and more important. Technologies in this field are also improving rapidly. A spatial dimension should therefore be added to the databases discussed above.

It is recommended that SACO together with its partner universities put together task team to investigate new applications and the various sources of information so that these sources of information and new applications can be linked to the national exporter database.

4.11.4 Export Awareness Workshops

SACO and the universities associated with it have a mandate to provide education and training. The export awareness workshops are aimed at the Explorer. These workshops should be held as regularly as possible across South Africa. Although the workshop should not exceed 3 hours, but it should provide enough basic information to help the enterprise decide whether to proceed with exporting or not. It should also provide information on other workshops, training sessions, courses available, and assistance that is provided specifically for exporters.

DSAC should enter into MoU or MoA with DTIC and the various provincial and Metropolitan economic development agencies or TPOs to run these export awareness workshops on behalf of DSAC ought to include CCI enterprises in their current program of the export awareness workshops.

Export awareness workshops can also be held using webinars.

4.11.5 CCI Exporter Training

CCI exporter training should insofar as possible follow the guidelines and curriculum that have been set out in the NEDP.

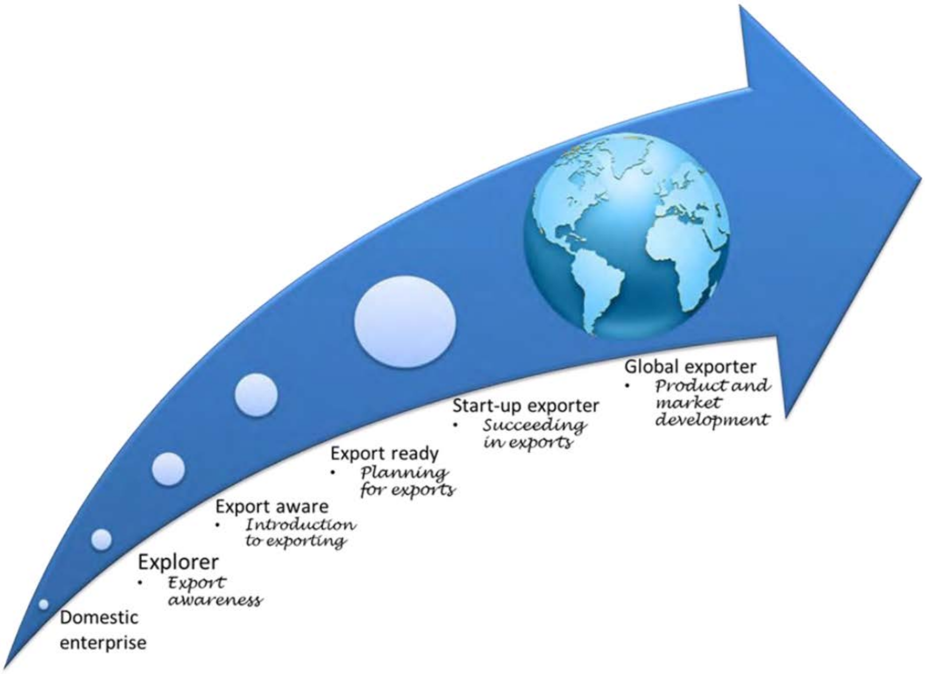

Figure 9: The Export Development Path and NEDP Interventions

Source: Gouws (2005)

The NEDP proposes the following exporter training programmes

- Training for the export-aware firm - Introduction to exporting;
- Training for the export-ready firm - Planning for export;
- Training for start-up exporter - Succeeding in exporting;
- The global exporter.

These training programmes need to be adapted for CCIs and where applicable even for specific CCI domains.

4.11.6 CCI Export Website

Although there is a lot of information already existing on the internet that can assist CCI exporters, it is often not logically organised and sometimes very useful information is hidden away. It is therefore proposed that a CCI export website be developed with partnerships with the various DSAC, DTIC and TPOs to develop a "one-stop-shop." The proposed website should include basic export steps; usually an export-readiness checker; details of all funded assistance programmes with clear guidelines on when a company would find these useful; market research reports; and statistical information. Equally important are the links the websites provide to other relevant institutions.

4.11.7 Information Dissemination

Information is imperative. Paradoxically, there is both a paucity (accurate specialist information) and an information overload with far too much information often contradictory or even conflicting. It is therefore recommended that the following information tools be used in a CCI strategy.

A Basic Book

A basic export book(s) for the CCI domains needs to be produced that includes basic enterprise development information, how to prepare for exporting, promotional aspects for exporters, pricing for exporting, export finance and export logistics. The information should help the exporter or potential export prepare a basic export plan.

A basic book explaining the exporting process (and adapted for the CCI domains) should be made available to CCI exporters and potential exporters. The proposed book should not be given away but rather sold at a nominal cost and advertisers should be solicited to support its production costs.

How to Publications

A series of "how to…" publications consisting of no more than a double sided A3 or A4 sized paper should be produced with basic export information. These can be distributed at the various export awareness workshops. The NEDP proposed the following publications be made available:

- The export environment;
- Basic concepts of export competitiveness;
- The export cycle (more comprehensive);
- Introduction to export marketing;
- Introduction to export administration and logistics;
- Introduction to export finance; and
- Basic costing and Incoterms®.

It is proposed that these be drafted specifically with CCIs or specific domains in mind and be made available when requested.

A CCI Newsletter (s)

Newsletters should be produced by the proposed Domain Export Councils and should include both general sector information as well as export information. The newsletters should announce various events that are relevant for exporters. It should also include news of successful export transactions and other breakthroughs. This news will encourage non-exporters and other exporters, especially as the "tips and tricks" of exporting.

Webinars

During the Covid pandemic many firms were forced to start using new and existing communication technologies. These have proved effective and are cost-effective. It is proposed that SACO lead this initiative and identify local and international experts that can provide specialist information to CCI enterprises.

4.11.8 Export Awards

Recognition often contributes to further success. It is proposed that the Minister of Sports Arts and Culture (in conjunction with the Minister of Trade Industry and Competition and the Presidency) launch an annual exporter award that will recognise the success of CCI in each domain. This also provide an opportunity for other exporters to find out more about "best or good" practice.

4.11.9 Associations

Although exporters and potential exporters may compete in the South African market, they can form formal or informal associations to support each other when exporting or even playing an advocacy role for the sector as a whole.

Export Councils

Export Councils have a direct role to play in encouraging their members to export more products to both existing and new markets. The DTIC already supports Sectoral Export Councils. Our research into best practice internationally also suggests a sectoral approach to exporter development for at least two reasons:

- Different sectors usually require different forms of support;
- Specific programmes usually result in a more cost-effective use of funds.

DSAC together with DTIC and CCI industry associations should develop at least one Export Council per domain.

Exporters' Clubs

Several exporters' clubs were established in South Africa that provide an informal forum for

- The exchange of ideas;
- Information and experiences related to individual companies' export efforts; as well as
- Sourcing and providing foreign market opportunities.

Members are drawn from all sectors of the industry, from shipping lines, freight forwarders, financial institutions, insurance companies, exporters. They attract the decision-makers in these various fields. Most clubs have a range of members including small, medium and large enterprises. Service providers are crucial for the success of many of the clubs. The exporters' clubs can play an advocacy role by networking with the major players within the industry and by allowing their members to voice their concerns.

4.12 Cooperatives Policy and Export Villages

The Cooperatives Act (No. 14) of 2005 allows for the registration of primary, secondary and tertiary cooperatives. Primary cooperatives are formed by a minimum of five natural persons.

The majority of small South African firms do not meet the requirements or have the means to successfully establish a presence in international markets. An Export Village or consortium is a voluntary alliance of firms or cooperatives with the objective of promoting the export of goods and services of its members through joint actions. Members of a consortium realise that cooperation must prevail over competition in order to access key markets and the latest technology. An Export Village or consortium can be seen as a formal medium- to long-term strategic cooperation between firms that acts as a service provider specialising in facilitating access to foreign markets. Services are provided exclusively to member firms. Members are typically relatively small since SMEs can derive the most benefits from participating in a consortium

The Export Village concept, that has been adopted in the NEDP, can be used to augment SEZs and established CCI Hubs.

DSAC, The DTIC, the Department of Small Business Development and subnational development agencies should facilitated the establishment of Export Villages, especially in townships and rural areas.

4.13 Market Prioritisation

Over the years a number of tools have been developed that can assist TPOs to determine trade potential in the untapped trade potential that exists between two economies. It must have be stressed that these tools are merely indications of areas where there is potential. If the model does not take into account certain factors such as trade agreements, incorrect potential can be estimated.

Some of the models have sound economic and econometric backing but a complicated to develop and also to interpret. Other models are more intuitive and easier to develop and also to interpret. The gravity model, has become the workhorse of international trade analysis and its methodology is very robust.

4.13.1 The Gravity Model

The gravity model's foundations are in the physical sciences and has been a useful tool for the analysis of bilateral trade flows and the determination of potential trade. It was applied to international trade in the 1960s, Linneman (1966), Pöyhönen(1963) and Tinbergen (1962).

The bilateral trade between two countries is determined by the size of each economy and the distance between them. As with Newton's theory of gravity, the closer to countries (or objects) are in the larger the two countries economies (or the mass of the object) are, the greater the attraction.

Determining the untapped trade potential is determined by the estimated potential trade that theoretically should exist and then subtracting the actual trade from this. If the result is positive, there is room for export growth.

The concept of distance and size have been adapted over time. For example, it is not only the physical distance that determines the volume of trade, but also how close the countries are culturally. For example, one would expect that countries that speak the same language would trade relatively more than countries where language, cultural habits, business norms, and the legal system are very different. Preferential trade agreements would obviously bring countries closer together and therefore greater trade can be expected.

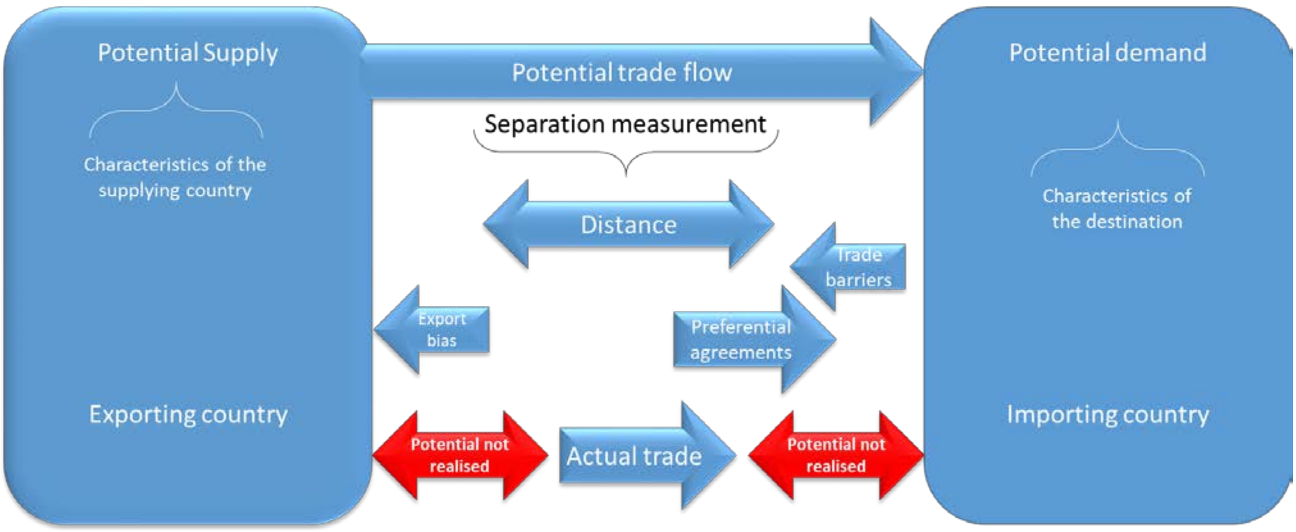

Figure 10:Diagrammatic Representation of the Gravity Model

Source: Gouws (2006)

The basic model can also be represented mathematically.

$$Trade_{ijt} = \beta_1(Y_{it}Y_{jt}) + \beta_2(P_{it}P_{jt}) + \beta_3(D_{ij}) + \mu_{ijt}$$

Where:

- Y = income;
- P = population;
- D = distance;
- i represents the exporting country;
- j represents the importing country;
- μ_{ijt} is the error term.

It is therefore proposed that a gravity model the developed specifically for the various CCI domains and even the products within each domain.

4.13.2 Trade Potential Index

The ITC uses an Index Methodology. They firstly calculate an export potential index that is comprised of an export performance index and a world demand index. The export performance index is determined by the products revealed comparative advantage and the growth of the revealed comparative advantage. The world demand index is similarly calculated using the share of world exports and the growth the share of world exports.

Secondly, they calculate a market attractiveness index. This index is comprised of two sub-indices:

- Market demand index (this includes factors such as the market size, market growth, the trade balance and the change in the trade balance in the importing country's GDP growth); and
- Market access index (this includes a tariff advantage indicator, a distance indicator, and trade relations indicator where total exports is used as a proxy)

4.13.3 Decision Support Model

The Decision Support Model relies heavily on the risk associated with trading with specific countries. Credit guarantee organisations are used to ascertain what the risk is in a country. The risk is usually comprised of political risk (which includes the stability of the government, business relations with labour etc.) transfer risk (which includes how liquid the country is and whether there is any threat of it not having sufficient foreign reserves to pay for the exports) and commercial risk (which is the risk of the firm not having sufficient resources to pay for the exports).

Countries with high risk so then eliminated and other factors such as the GDP, relative volume of imports, and tariffs on the particular products.

4.14 Conclusion

South Africa has a well-established export development and promotional framework. It is important to stress that the proposed Export Strategy for CCIs not reinvent the wheel. Existing institutions and programmes should be used insofar as possible and augmented if necessary.

5 State of Trade

An export strategy must be informed by the actual and potential trade. There is an abundance of trade data at both international levels (country to country) and even at a subnational level where the value and volume of provincial, metro and local municipality is available. Unfortunately, CCIs are not organised into a specific grouping and CCI data has to be extracted from the trade data. Nevertheless, the data can point to areas where South African CCI exports can grow or where there is a potential to exploit new markets.

5.2 A short note on the data

Creative goods data trade is gathered by the South African Revenue Services (SARS) collecting duties (and monitoring movement of goods internationally) from the international movement of tangible goods to and from South Africa. The Harmonised System Codes enable a detailed breakdown of the volume and value of specific products. Importantly, this data relates only to the movement of tangible, physical cultural and creative goods only and does not capture value of imports and exports of CCI services.

The services exports are captured by the South African Reserve Bank, but the data are not sufficiently disaggregated to make any meaningful conclusions, nor does it capture the direction of trade in services.

The United Nations Statistics Division is committed to the advancement of the global statistical system. We compile and disseminate global statistical information, develop standards and norms for statistical activities, and support countries' efforts to strengthen their national statistical systems. We facilitate the coordination of international statistical activities and support the functioning of the United Nations Statistical Commission as the apex entity of the global statistical system.

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The International Merchandise Trade Statistics Section of the United Nations Statistics Division, Department of Economic and Social Affairs produces analytical merchandise trade tables containing trade values and indices for countries (areas) and regions.

World integrated Trade Solutions (WITS) allows registered subscribers access to international trade and protection related data. WITS also offers various built-in analytical tools allowing an analysis of the impact of tariff changes for example. WITS also includes simulation tool to calculate the impact of tariff changes on trade flows (trade creation and diversion), tariff revenues, and consumer welfare using partial equilibrium modelling tools. WITS provides capabilities to retrieve and analyse trade and tariff data; convert data between different nomenclatures; to define customised country groups and also product groups. Wits includes tools that calculate trade indicators as well as assessing the competitiveness of countries. Various visualisation tools are included. The data can also be download in a number of formats (although it does take time).

It is proposed that SACO develop and maintain its own CCI database of both imports and exports.

5.3 Data Providers

Trade data are essentially collected internationally by the authorities responsible for collecting customs and excise duties. The data has been categorised according to what the product is made of and also for historic reasons. There is no category exclusively used for any of the

CCIs products. This data are then provided to statistical agencies (e.g. STATS SA), international organisations and private sector companies.

In South Africa, firms such as Quantec obtain the data from SARS and organise it in such a way that specific data can be extracted.

Internationally, all Customs and Excise revenue collection agencies provide the data to the United Nations statistical section. A comprehensive database has been developed by them called Comtrade. This data are then provided, at a fee, to subscribers and other international organisations such as UNCTAD, the WTO and the ITC. This data are made available, usually free of charge especially to developing countries, for download electronically from their respective websites.

International data are not always 100% comparable because what one country exports to another is the imports of that country. The customs authorities rely on information provided by importers and exporters and because of discrepancies as well as fluctuations in exchange rates, there is often an inconsistency. The ITC has developed methodologies to try to solve these problems.

5.4 Global

The ITC (2004) have developed their own definition of what they call the "Creative Industry." The data used here is categorised according to the ITC's methodology simply because a longer time series can be presented.

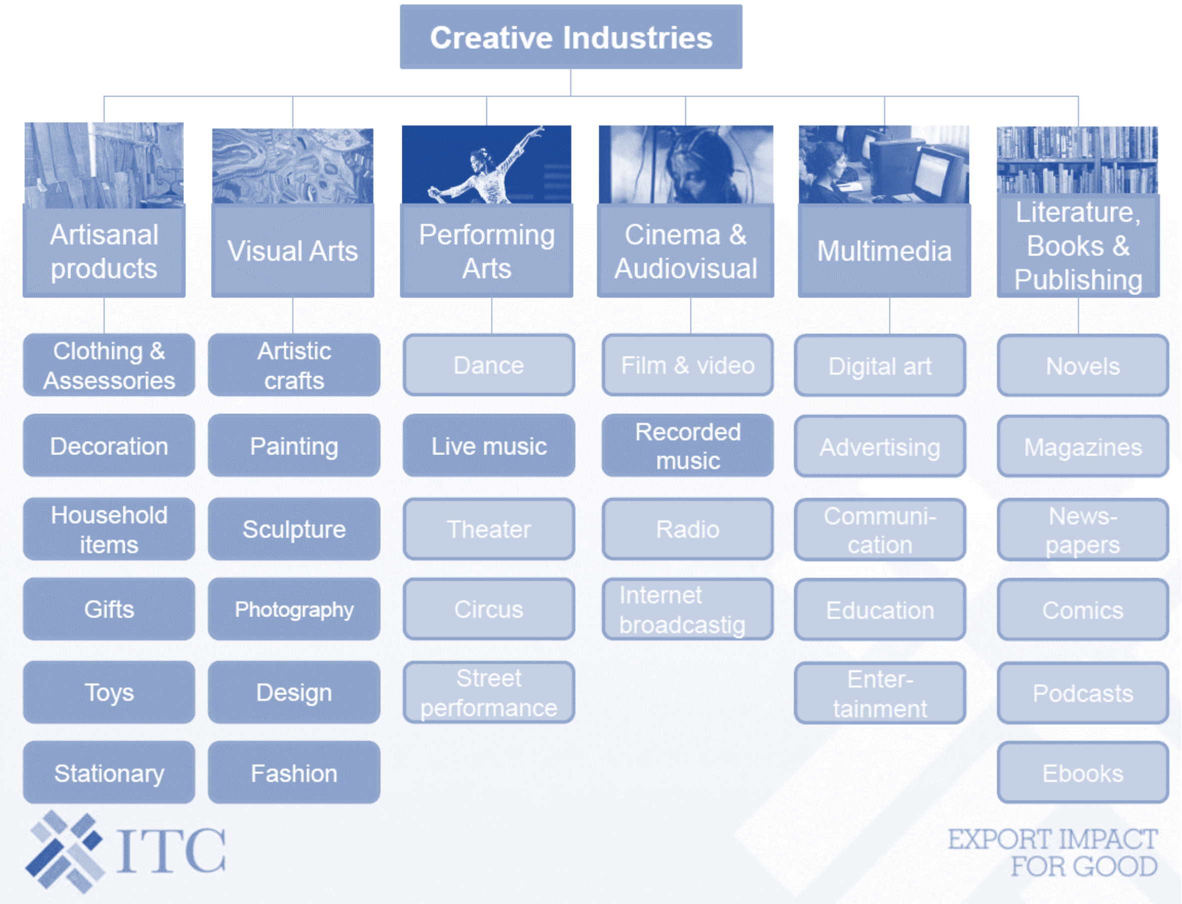


Figure 11: Categorisation of Creative Industries

Source: ITC (2004)

The ITC has also developed a product group, called Creative Industries. It is useful for describing aggregator trade flows but does not correspond completely with the products that have been included in UNESCO's domains. Nevertheless, these have been included because they can show CCI trends in trade.

The individual Harmonised System (HS) codes are included in the appendix. Other data were obtained from the World Bank's WITS that obtains its data from the United Nations Comtrade database. What is useful is that data can be tracked back to the 1960s so that long-term trends can be observed as well. Unfortunately, the Harmonised System was only applied since 1988. Concordance tables have been developed using the Standard Industrial Trade Classification (SITC) system. Therefore, the data are reported using various classification systems that have been matched as accurately as possible to UNESCO's domains. Nevertheless, there may be slight differences, but the trends are nevertheless relevant. The domains are shown graphically below and are linked to the HS codes included in the appendix.

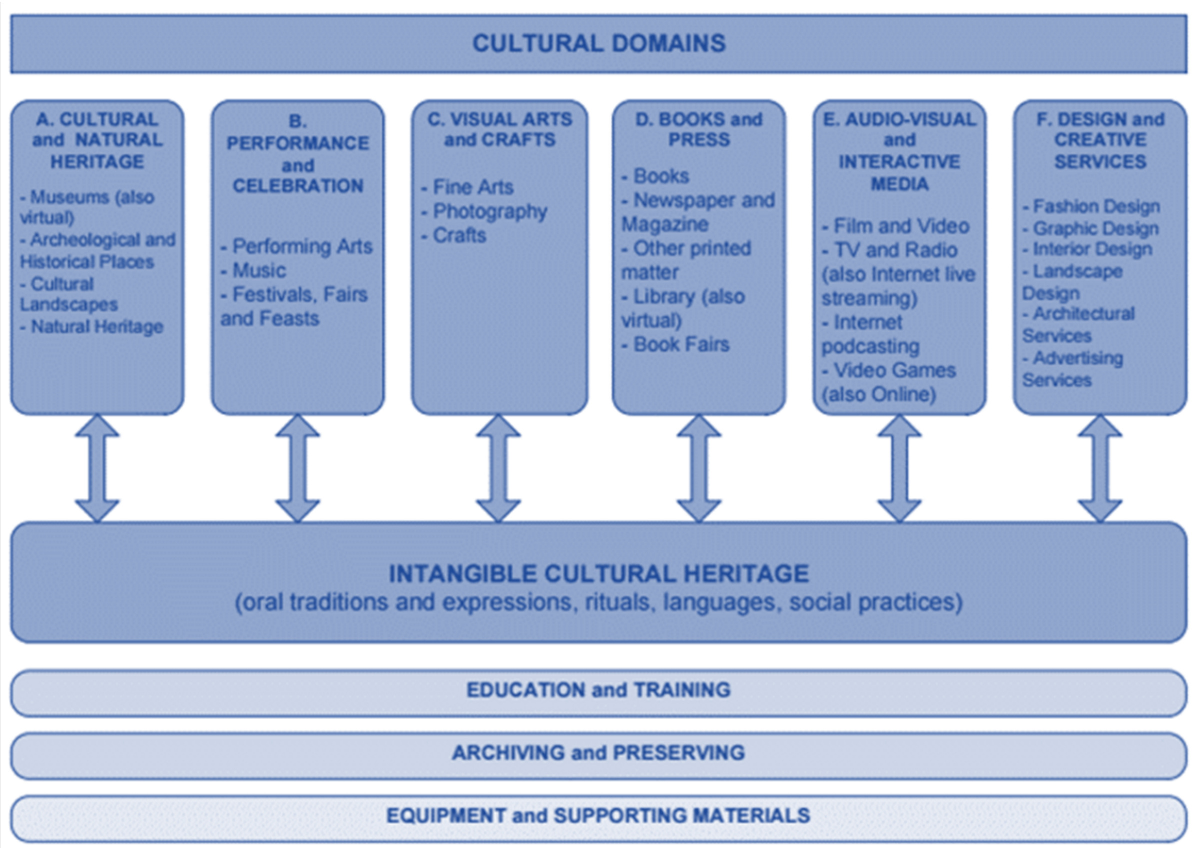


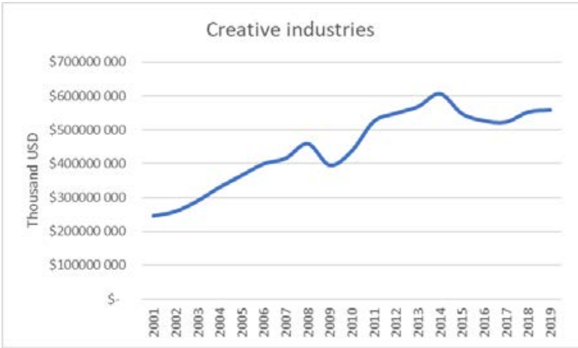
Figure 12: UNESCO Classification of CCIs

Source: Pessoa and Deloumeaux (2009)

The individual HS codes are included in the appendix.

5.4.1 Trade in Creative Industry Goods

The two figures below show how trade has grown over the past two decades using the ITC's classification for Creative Industries.



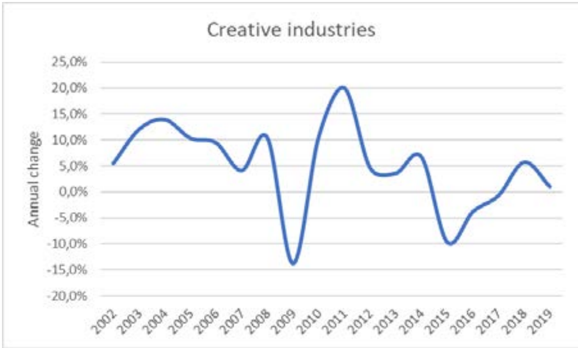


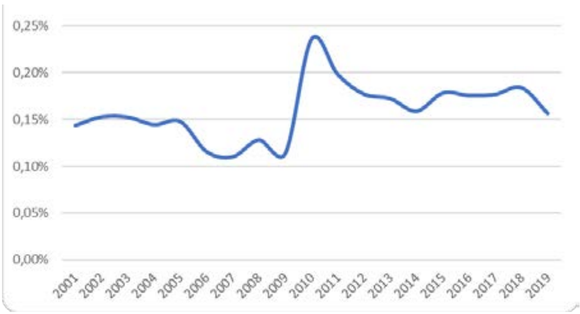
Figure 13: Global Exports of Creative Industries

Source: ITC (2020)

Figure 14: Annual percentage change in Creative Industries

Source: ITC (2020)

Although, the trend has been relatively stable, with an upward trajectory, the global recessions have had a negative impact. The volatility can be seen in the graph showing the annual percentage change.



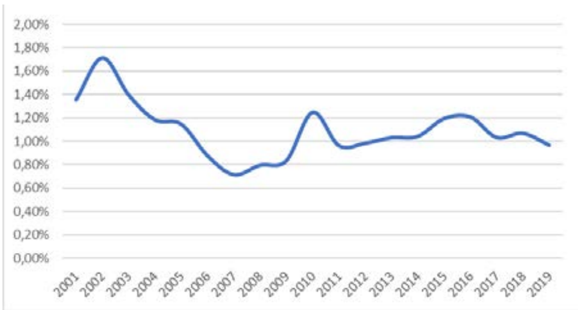


Figure 15: South Africa's share of world CCI exports

Source: ITC (2020)

Figure 16: CCI as a percentage of South African total exports

Source: ITC (2020)

According to the ITC South Africa's trade in creative industries is very stable. CCIs as a percentage of South Africa's total export basket showed a noticeable decline from 2000 to 2009. Interestingly, in 2010 (with the World Cup) exports of CCIs increased relative to South Africa's total trade.

5.4.2 Trade in Creative Industry Services

In the 1960s, trade in services was referred to as "invisible trade." Trade in services is notoriously difficult to identify and measure. In preparation for the GATS negotiations four modes in the supply of services was identified.

Different Modes of supply in services

Services are neither storable and must be consumed immediately. Therefore, the location of the supplier and the consumer is fundamental to analysing services trade. The GATS has divided services flows by four modes of supply for the delivery of services:

Mode 1: Cross-border

A user in country A receives services from abroad through its telecommunications or postal infrastructure. This includes architectural drawings, royalties, digital music or video.

Mode 2: Consumption abroad

When people consume services in a foreign country (as tourists, students, or patients)

Foreign tourists in South Africa can consume many CCIs.

Mode 3: Commercial presence

The service is provided by a locally-established affiliate, subsidiary, or representative office of a foreign-owned or controlled company. This applies to a South African service provider that provides services in other countries e.g. DSTV in other African countries.

Mode 4: Movement of natural persons

Foreign workers provide a service in a foreign country either as an independent supplier or employee of a service supplier. This would include actors, musicians etc. providing entertainment in foreign countries.

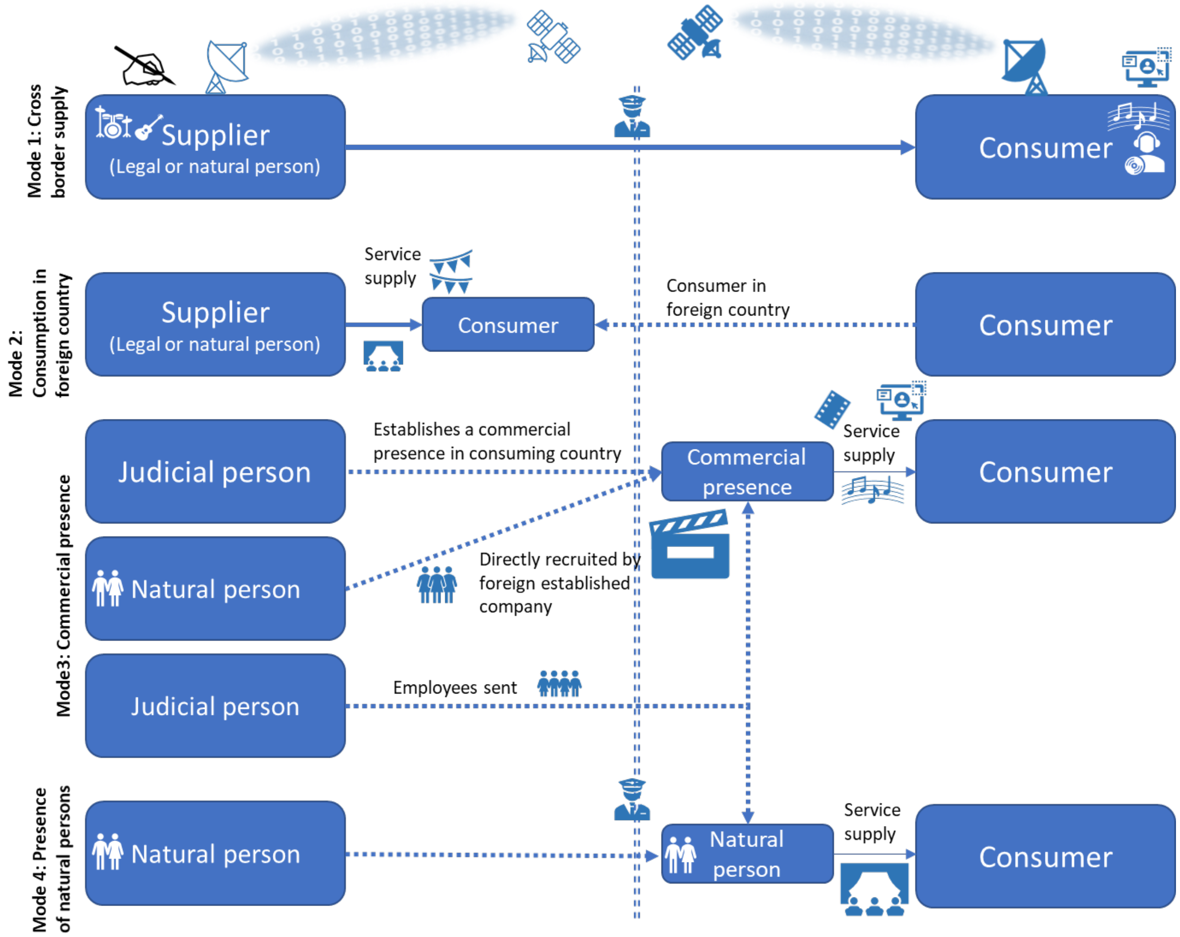


Figure 17: A Synthetic View of Modes of Supply

Source: Adapted from United Nations (2012)

CCI services are found in all four modes of services exports. Since each mode needs different tools and instruments, attention should be given to how best promote South African CCI services.

Problems with services data

Trade in services is usually administered through the banking system and especially the central or reserve bank of a country. Commercial banks collect the data of funds moving across borders. Unlike with the movement of goods across borders, there are very few fiscal implications such as duties and excise tax. The banks are more concerned about money laundering and other criminal issues in the central banks are more involved in ensuring that there is sufficient hard foreign currency reserves. The source of the income for the "services exporter" is generally not relevant. Nevertheless, through the System of National accounts (United Nations et al., 2009), methodologies have been developed to collect data uniformly across nations. These are further defined in the Balance of Payments Manual, fifth and 6th edition (International Monetary Fund, 2009). Therefore, unlike the trade in goods, there is a paucity of data the trade in services. It is not as detailed as trading goods and neither is there information on a bilateral level (Cernat, 2015; Fiorini and Hoekman, 2018; Su, Bramwell and Whalley, 2018).

The data are provided to the International Monetary Fund (IMF) by the various central banks. The ITC uses data from the IMF. However, enterprise surveys (that are generally undertaken by countries statistical offices) and other complimentary sources including information on tourism and multinational companies can also be used. Unfortunately, the data available is not disaggregated sufficiently to identify all CCI services and many exports of CCI services could also go unreported or reported under a broad heading.

The two graphs below show the world's total exports in CCI services that are clearly identified as such. These include audio-visual and related services, charges for intellectual property, and other personal cultural and recreational services.

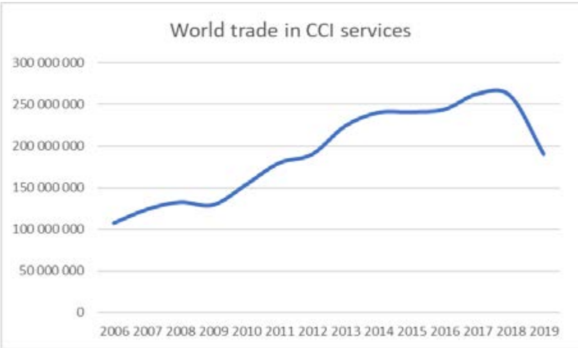


Figure 18: World Trade of Creative Industries Services

Source: ITC (2020)

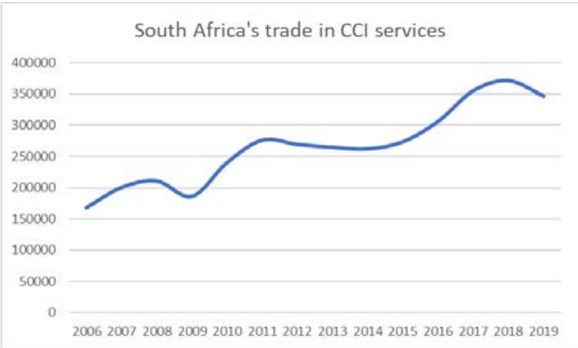


Figure 19: South African Trade of Creative Industries Services

Source: ITC (2020)

South Africa has a relatively small share of the global CCI services trade. The audio-visual and related services category varies between 0,4 and 0,5 per cent of the world's trade in this category. The other categories range from 0,05 and 0,1 per cent of the world's trade and the respective categories.

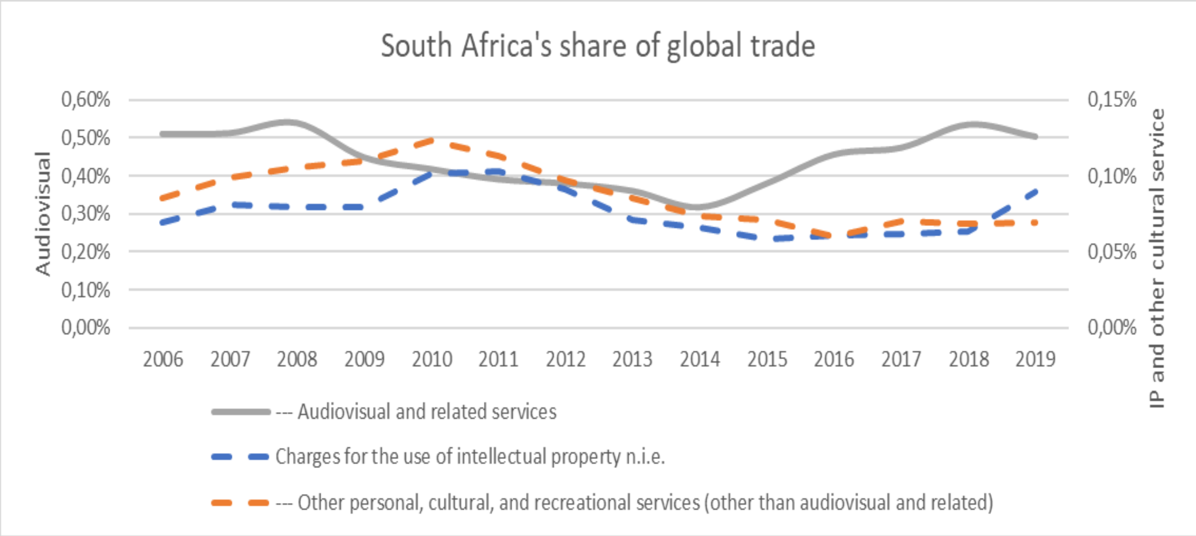


Figure 20: South Africa's Share of Global Trade in Selected Services

Source: ITC (2020)

5.5 Cultural Tourism

Culture is a key asset in tourism development. Indeed, originally tourism was only considered a cultural experience. The tourism sector constitutes key niche markets for local artists and other creative people. Cultural tourism has recently been re-affirmed by the UNWTO as a major element of international tourism consumption, accounting for over 39% of tourism arrivals (Richards, 2018). Mousavi et al. (2016) show that tourism authorities can promote both the tangible and intangible aspects of tourism:

- Tangible;
    - cultural attractions, like museums and heritage centres;
    - natural assets like beach, sun and mountain; and
- Intangible;
    - promoting gastronomy;
    - cultural events; and
    - festivals.

Cultural tourism has an impact on cultural consumption, and heritage conservation. There is also a strong relationship with the creative economy.

The ITC (2010) recognises that tourism is one of the largest income generating activities in the world and that Culture and Arts also rank high as tourism motivations. The ITC have therefore developed a set of train modules that assists artists link to tourism markets.

It is proposed that DSAC enter into an MoU to update and customise the course material to meet South African conditions.

DSAC should also enter into an MoU with the Department of Tourism to:

- Develop a database of all national cultural and heritage sites that can be promoted as tourism venues
- Have special promotional events to promote cultural tourism in South Africa

DSAC should enter into an MoU with the Provincial Departments of Tourism to Develop a database of all provincial and other subnational cultural and heritage sites that can be promoted as tourism venues

DSAC should enter into an MoU with the Department to support the development of small enterprises that can provide CCI products or services near or on the heritage site

5.6 South Africa

This section discusses South Africa's trade of CCIs. It should be read together with the SACO Mapping studies that provide information on both the production and the trade of CCI products and services. The study that SACO undertook and was published in 2020 pointed out that in common with many small, developing economies, the value of South Africa's cultural imports are more than cultural exports. In other words, there is a trade deficit in CCIs. It estimated that in 2018 there was a deficit of R1,9 billion (including both goods and services). South Africa's cultural goods exports were valued at US$ 446.5 million and cultural goods imports at US$ 469.8 million. The report found that the Visual Arts and Crafts Domain makes up the largest share of South Africa's cultural goods exports and has a trade surplus. The Cultural and Natural Heritage Domain also has a trade surplus. It was found that largest share of CCI exports go to NAFTA (33.2%), Africa (23%), rest of BRICS (22.1%) and the EU (15%). CCI imports come from the BRICS partners (39.5%) and the EU (24%). China was the single most important cultural goods trading partner for South Africa, accounting for 21.5% of CCI exports and 36.3% of CCI imports. The most important EU partners for CCIs are the UK, Germany and Italy although South Africa has trade deficits with the UK and Italy, but surplus in CCIs with Germany. Between 2010 and 2018 cultural goods trade as a share of total bilateral trade increased for South Africa's exports to the EU but decreased for imports from the EU as a result of the rising share of imports of cultural goods from China.

Despite have trade deficit in the Performance and Celebration Domain globally, South Africa has a trade surplus in this domain with the EU and the report found that this could be an area for export promotion.

5.7 Exports of South African CCI Exports

South Africa's exports in CCIs are small both in terms of its ranking in world markets and the proportion of CCI's in South Africa's total export basket.

The bubble chart below shows the increase of South Africa's share in world exports on the horizontal axis and the average growth of world imports on the horizontal axis. The graph is divided into four quadrants:

1. Losing in declining sectors (bottom left quadrant);
2. Losers in growing sectors (top left quadrant);
3. Winners in declining sectors (bottom right quadrant); and
4. Winners in growing sectors (top right quadrant).

The blue bubbles indicate that South Africa is a net exporter for the particular product while the yellow bubble shows that South Africa is a net importer for the product. Ideally, a product would be a blue product (i.e. a net exporter) in the top right-hand quadrant where South Africa's market share is growing in a growing global market. Unfortunately, this is not the case for most of the top CCI products. Many of South Africa's CCI products are in sectors in which the world trade is shrinking relatively.

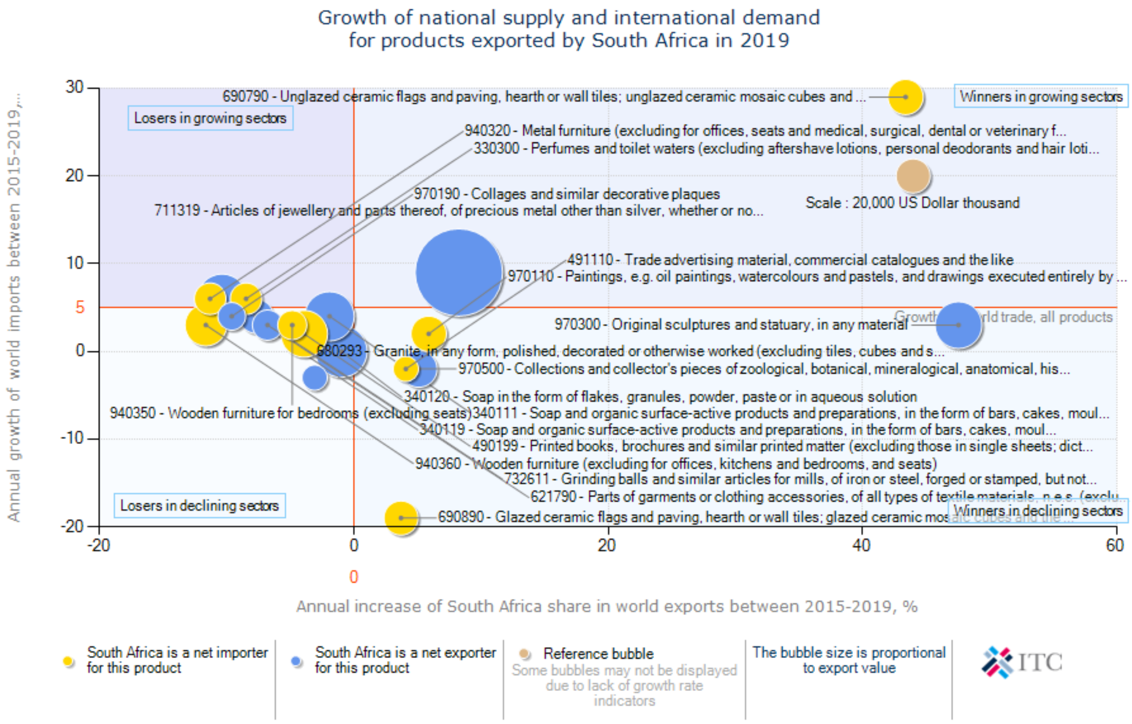


Figure 21: Bubble Chart Showing South Africa's Recent Trade Performance

Source: ITC (2020)

Although this presents her rather gloomy picture, there are many opportunities where South Africa can improve its trade performance. The following sections discuss each of the domains identified by UNESCO (Pessoa and Deloumeaux, 2009).

5.8 Cultural and Natural Heritage

This domain includes:

- Museums (also virtual);
- Archaeological and historic places;
- Cultural landscapes; and
- Natural heritage.

Although, the Cultural and Natural Heritage Domain is important, it does not produce products that can be exported. However, is an important domain in that many of the sub-domains can contribute significantly to "cultural tourism" and therefore to services exports. Unfortunately, there is insufficient data collected to report on how large the sector is.

Antiques and naturalist's collections are however two product groupings that can be identified in the trade statistics. Using the World Bank's WITS and the SITC and approximation of the value of the trade can be deduced.

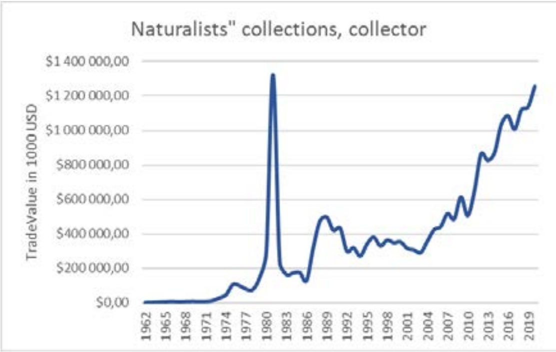


Figure 22: South African exports of naturalist's collections

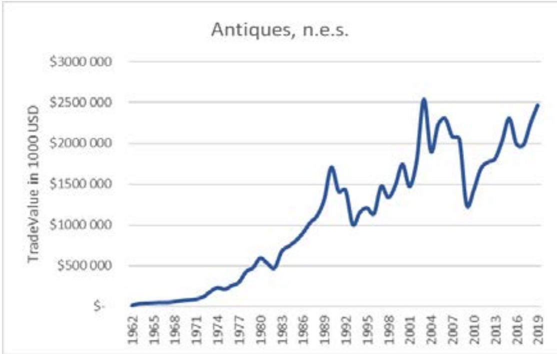


Figure 23: South African exports of antiques

Source: World Bank and World Integrated Trade Solution (2020)

The trendline for both of these commodities is upward. However, when looking at South Africa's share of world trade in antiques, the market share is small, although, it would appear as though there have been small gains in market share. Together with Zambia, South Africa was among the top 20 developing country exporters in the "Cultural and Natural Heritage" domain, with 0.5% and 0.4% of the world export share, respectively. The value of South Africa's exports in tis domain doubled between 2004 and 2013 (UNESCO, 2016:42).

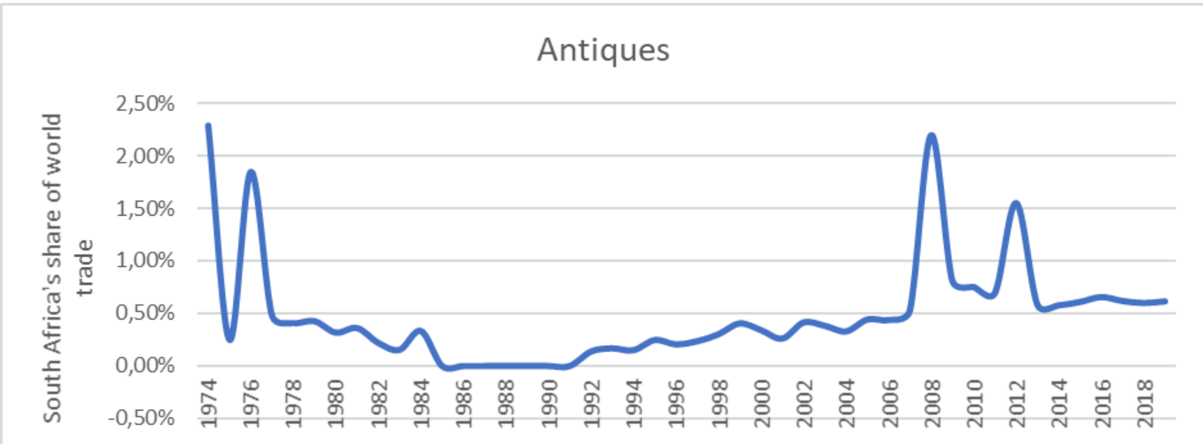


Figure 24:South Africa's share of the global market in antiques

Source: World Bank and World Integrated Trade Solution (2020) [9]

[9] Because of the methods of collecting data and trade sanction against the apartheid government, the data for trade between 1985 and 1991 South Africa's exports are not comparable to international data.

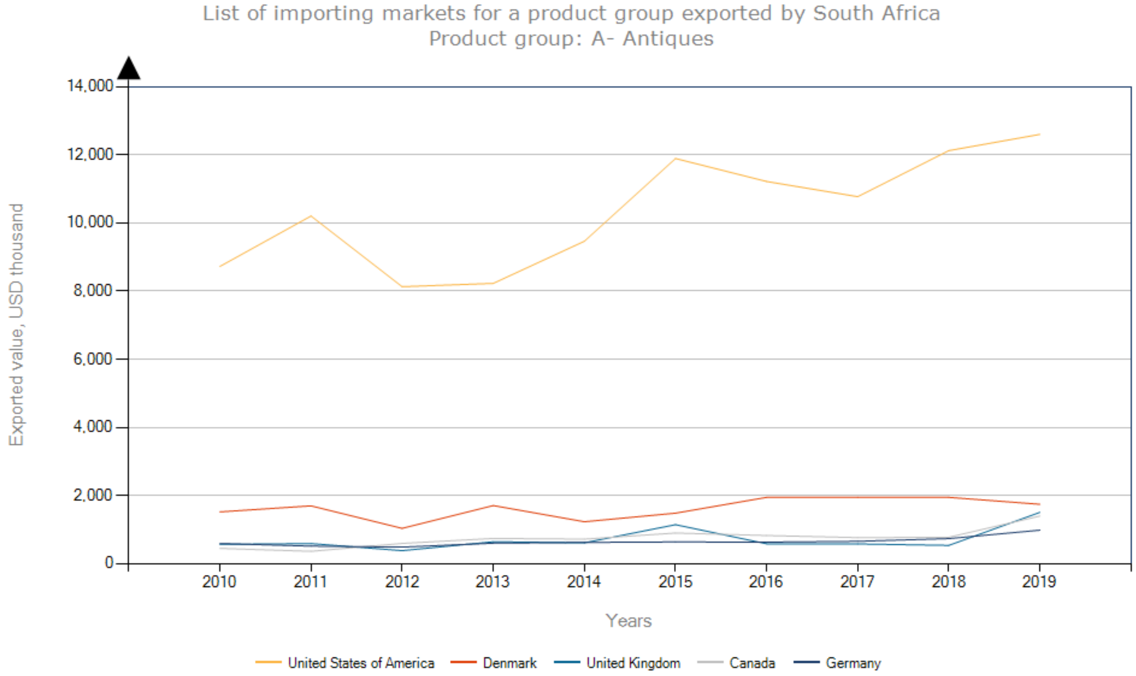


Figure 25: South Africa's Top Markets for Antiques

Source: ITC (2020)

America is the largest markets for the exports of antiques. However, it is recommended that antiques or any other cultural and heritage products should not be promoted and therefore not included in the CCI strategy and that neither should an Export Council be established for this domain.

5.9 Performance and Celebration

This domain includes:

- performing arts;
- music;
- festivals fairs and feasts

Again, the number of products that this domain produces is not that significant and most of the sub-domains would fall into the services category.

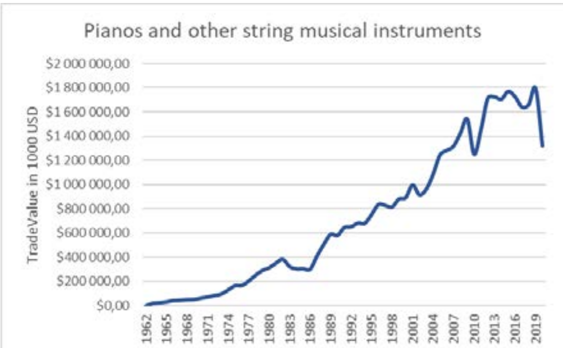


Figure 26: Exports of pianos and string instruments

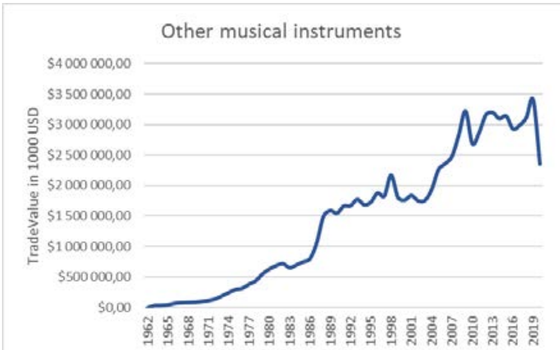


Figure 27: Export of other musical instruments

Source: World Bank and World Integrated Trade Solution (2020)

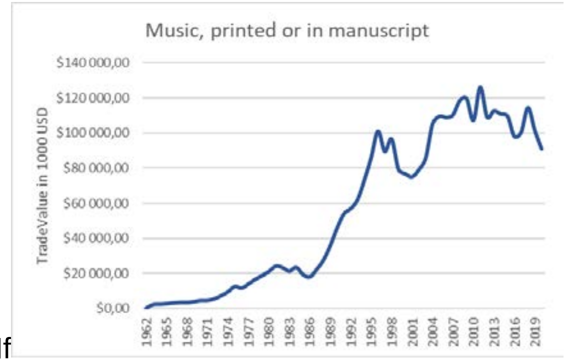
If


Figure 28: Export of sheet music
Source: World Bank and World Integrated Trade Solution (2020)

South Africa is a very small share of the world market in musical instruments. The export seems to be relatively volatile and exporters build up market share over two to three years and then lose it. Since approximately 2007, South Africa's share of the world's musical instrument trade has been very flat.

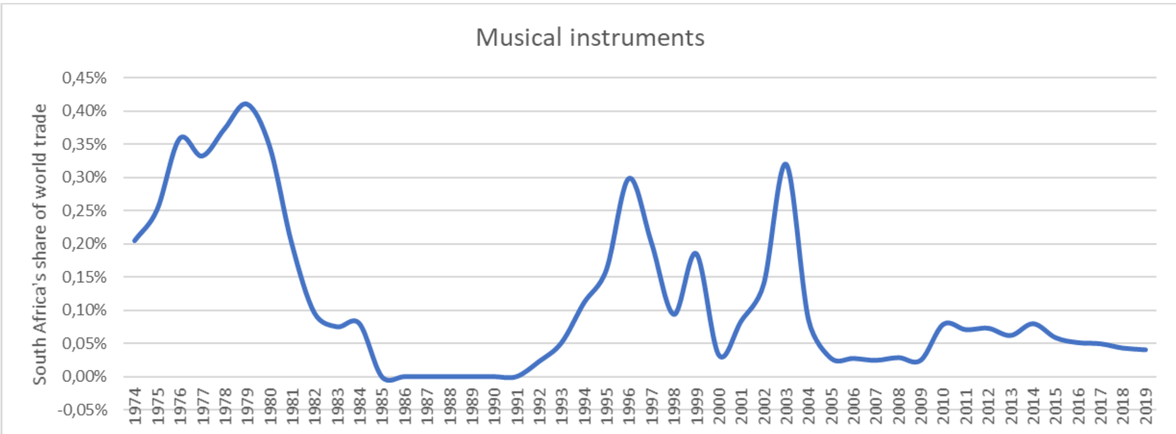


Figure 29: Export of musical instruments
Source: ITC (2020)

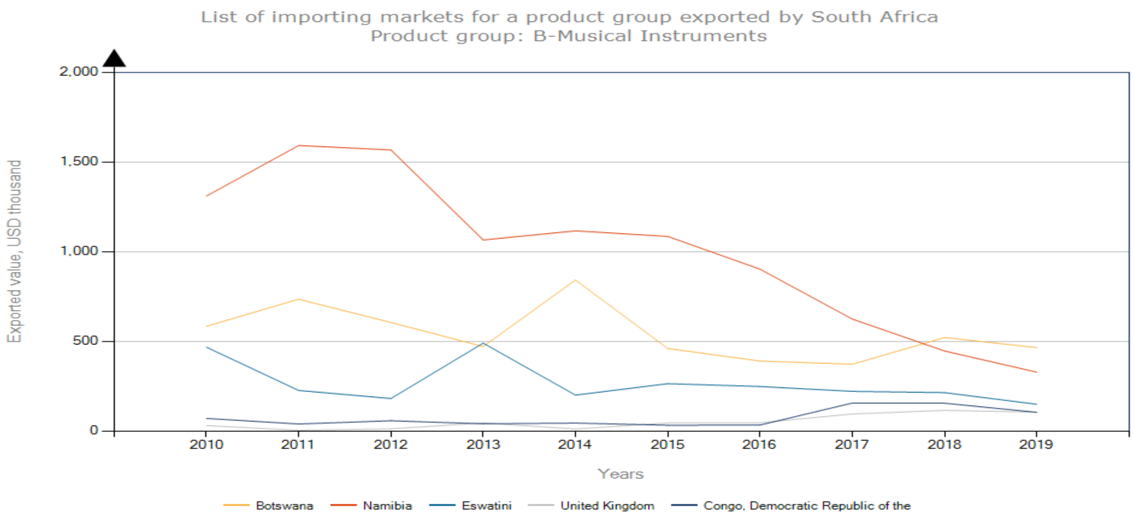


Figure 30: Top Markets for South Africa's Musical Instruments

Source: ITC (2020)

Trade in South African musical instruments is relatively small and besides a small market in the United Kingdom, most exports are destined for African countries, especially neighbouring countries. It would therefore appear that unless musical instruments could be manufactured in greater volumes and more competitively, the prospects of developing new markets is small.

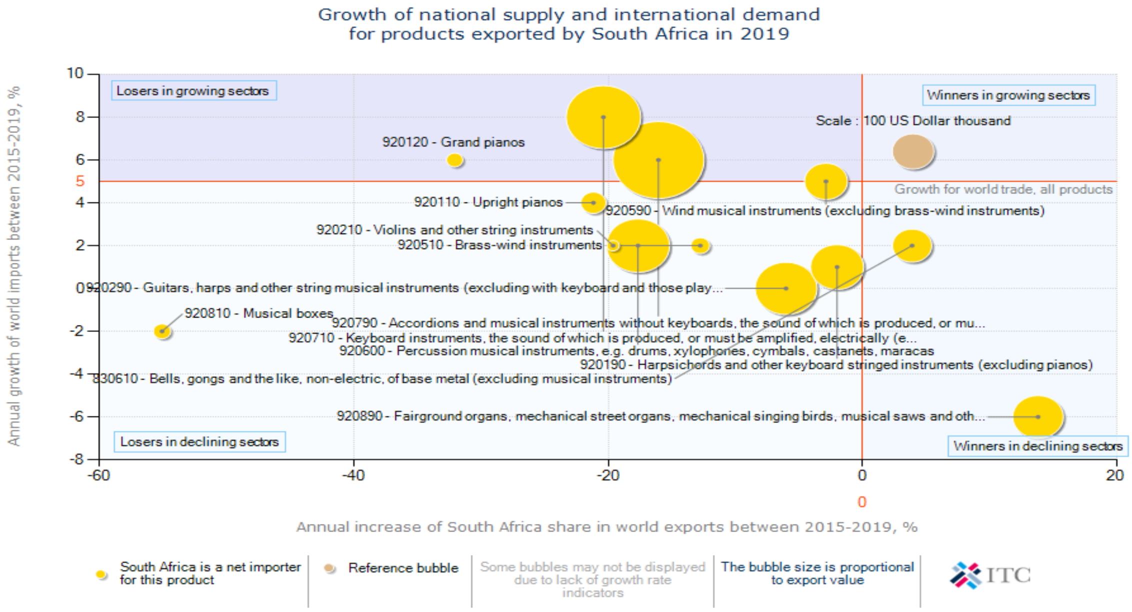


Figure 31: Bubble Chart Showing South Africa's Trade in Musical Instruments

Source: ITC (2020)

The bubble chart shows that South Africa has a trade deficit in musical instruments and that none of the exports are in the "winners in growing sectors." This seems to confirm that the export potential is relatively small.

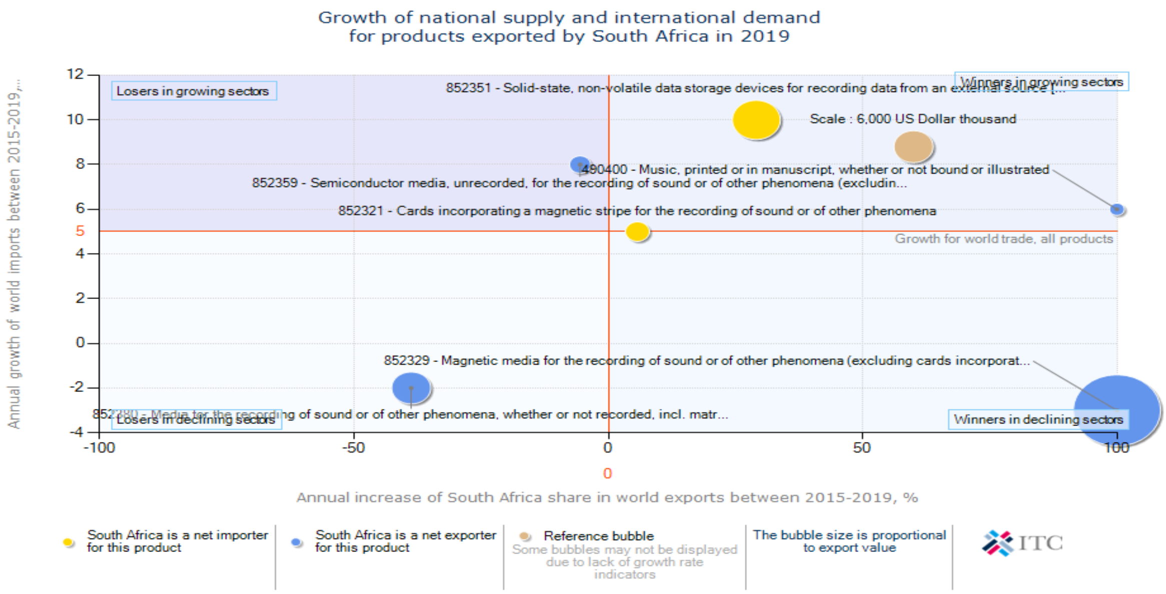


Figure 32: Bubble Chart Showing South Africa's Trade in Music

Source: ITC (2020)

Since South Africa has shown that it is potentially competitive in recorded music[10] and musical scores it should form an important subdomain of the proposed masterplan. More supply needs to be created and new technologies developed.

5.10 Visual Arts and Crafts

The sub-domains include:

- fine art
- photography
- crafts

5.10.1 Paintings

The value of South Africa's art has increased steadily.

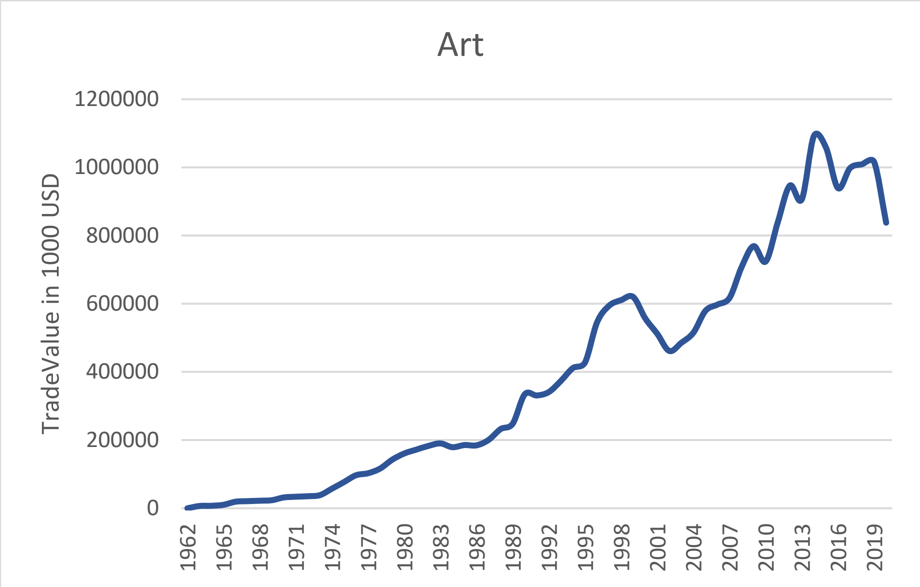


Figure 33: Exports of Art

Source: ITC (2020)

According to Trade Map: Paintings, e.g. oil paintings, watercolours and pastels, and drawings (970110) executed entirely by hand (excluding technical drawings and the like of heading 4906, and hand-painted or hand-decorated manufactured articles):

- South Africa's exports represent 0,1% of world exports for this product;
- Its ranking in world exports is 23;
- The average distance of importing countries is 11 511 km;
- The export concentration is 0.28[11];

[10] It is difficult to measure recorded music exports since the media is changing with new technology. Sales of music using virtual platforms is not included in trade statistics of products. The sale of music using these platforms is captured for Balance of Payment purposes but is aggregated and difficult to isolate.

[11] The concentration is based on the Herfindahl index. It is calculated by squaring the share of each country in the selected market and by summing the resulting numbers computation formula of the concentration where s_i is the share of the country i in the market, and N is the number of countries. The Herfindahl Index (H) ranges from 1 / N to one. Herfindahl indices between 0.1000 and 0.1800 to be moderately concentrated and indices above 0.1800 to be concentrated.

- Untapped potential is $7 million[12].

Product: 970190 Collages and Similar Decorative Plaques

According to Trade Map: South Africa's exports represent 1.9% of world exports for this product:

- Its ranking in world exports is 8;
- The average distance of importing countries is 10 411 km;
- the export concentration is 0,26: and
- Untapped potential is $5 million (with USA having the greatest potential)

Product: 491191 Pictures, Prints and Photographs, N.e.s.

According to Trade Map: South Africa's exports represent 0,1% of world exports for this product:

- Its ranking in world exports is 30;
- The average distance of importing countries is 9 288 km;
- The export concentration is 0,14; and
- Untapped potential is $220 000.

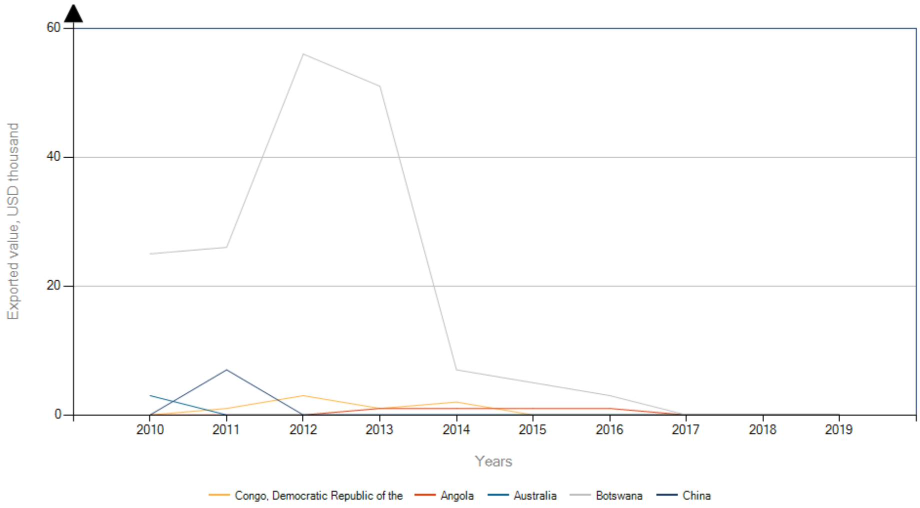


Figure 34: Export of Photographs

Source: ITC (2020)

[12] The estimated untapped potential trade is the difference between the actual trade and the expected potential trade in five years' time. Actual exports may be higher or lower than the expected potential value and therefore the untapped potential trade can be positive or negative. Only the positive values of the untapped potential trade are displayed.
Based on the ITC export potential and diversification assessment methodology, the Export Potential Indicator (EPI) identifies the expected potential export value for any exporter in a given product and target market based on an economic model that combines the exporter's supply with the target market's demand corrected for market access conditions and the bilateral ease to trade.
If 2016 is the year of reference in Trade Map, the analysis for supply and demand is based on 2012-2016 trade flows, using averages to moderate the impact of outliers (plus the latest available tariffs information), projected into the future using expected per capita GDPs of countries between 2016-2021.The projections correspond to expected export potential values in 2021.
The untapped potential trade is not computed at 6-digit level of the Harmonized System (HS) for products affected by a HS revision or products covered by international conventions on waste, pollutants, tobacco, extractive industries arms and ammunitions, as well as products that cannot be produced (e.g. antiques).

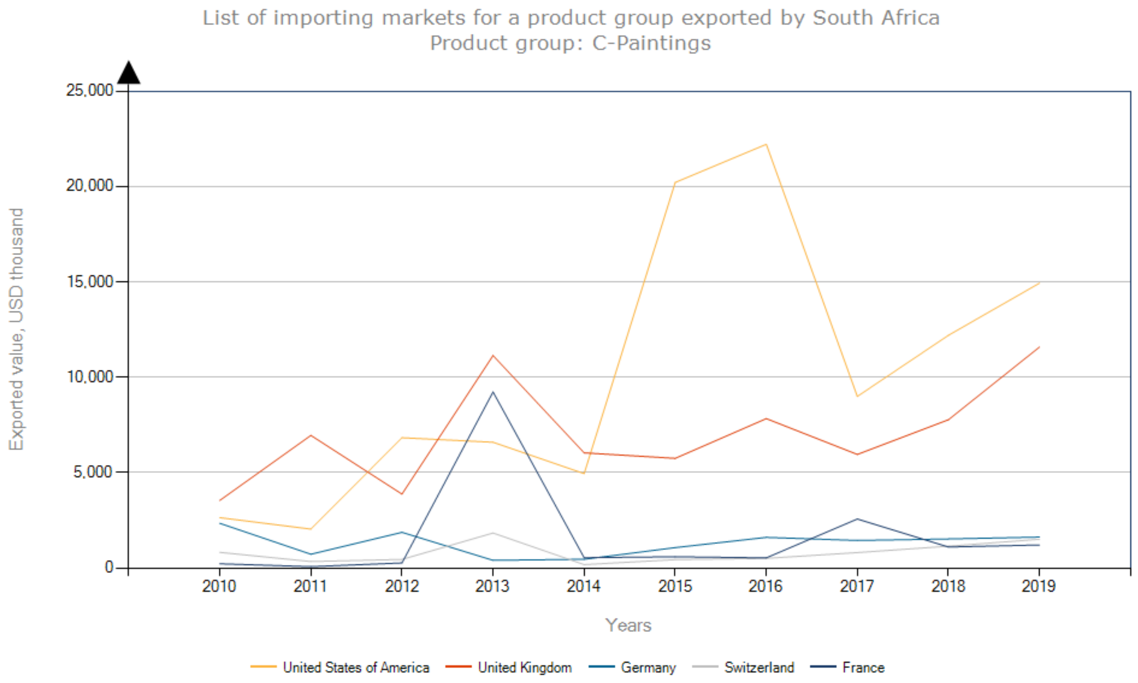


Figure 35: Exports of Paintings

Source: ITC (2020)

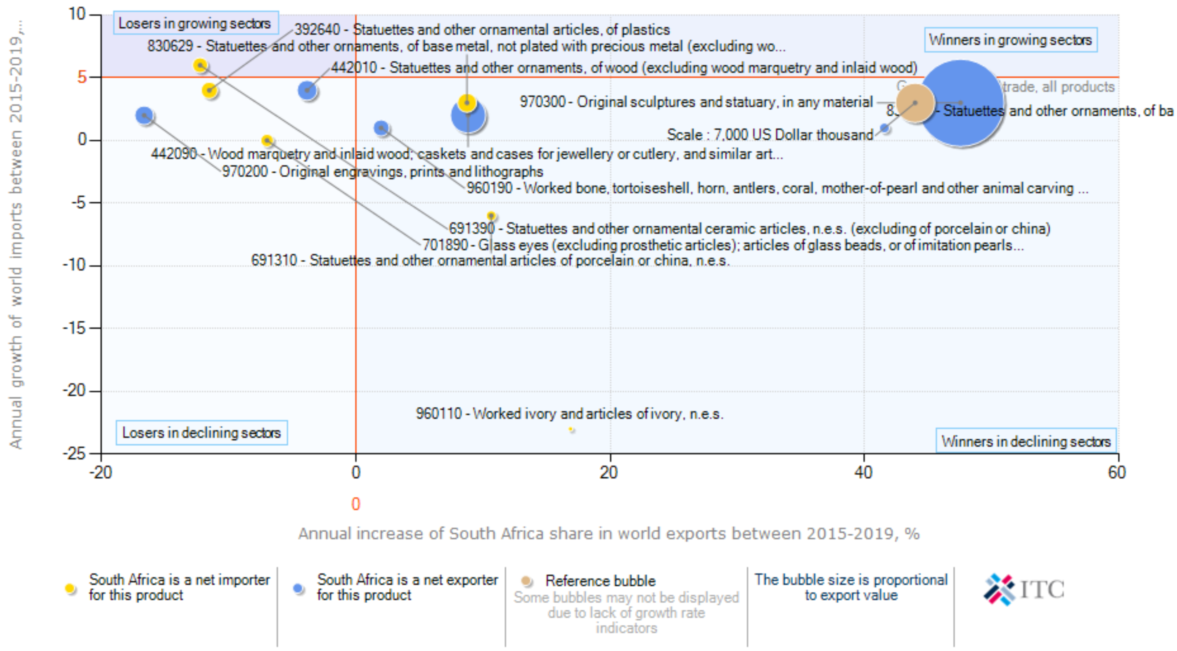


Figure 36: Export of Statues

Source: ITC (2020)

According to the ITC's bubble chart, none of South Africa's visual arts and crafts feature in the "winners in a growing sector." Interestingly though, statues and sculptures are nudging into this area and priority research should be undertaken and resources spent on promoting products and exporters that are involved in this sector.

Product: 9703 Original Sculptures and Statuary, in Any Material

According to Trade Map,South Africa's exports represent 0.7% of world exports for this product:

- Its ranking in world exports is 14;
- The average distance of importing countries is 9 845 km; and
- The export concentration is 0.27

Product: 970200 Original Engravings, Prints and Lithographs

According to Trade Map, South Africa's exports represent 0.7% of world exports for this product:

- South Africa's exports represent 0.2% of world exports for this product;
- Its ranking in world exports is 21;
- The average distance of importing countries is 11 500 km; and
- the export concentration is 0.28

5.10.2 Craft

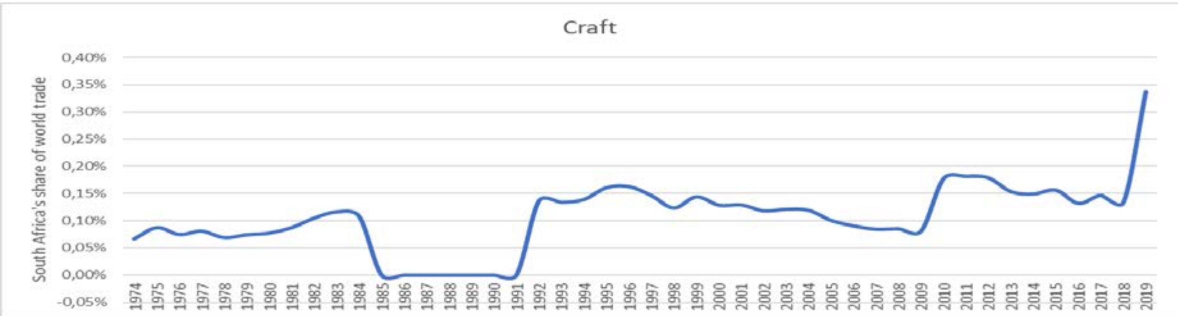


Figure 37: South Africa’s Exports of Craft

Source: World Bank (2020)

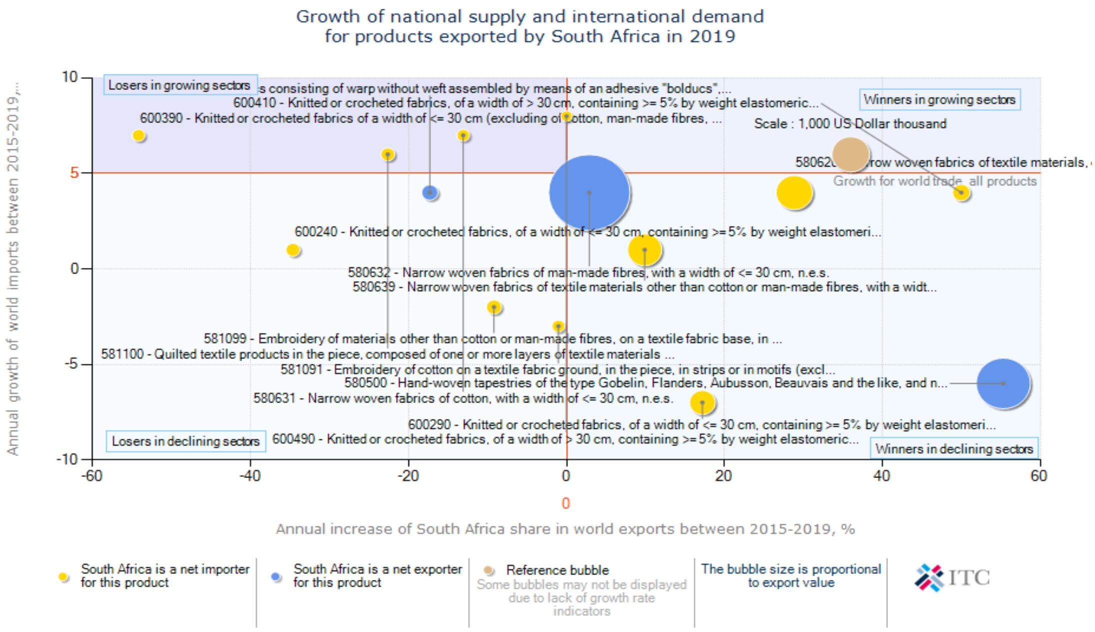


Figure 38: A Bubble Chart Showing Export of Craft Products

Source: ITC (2020)

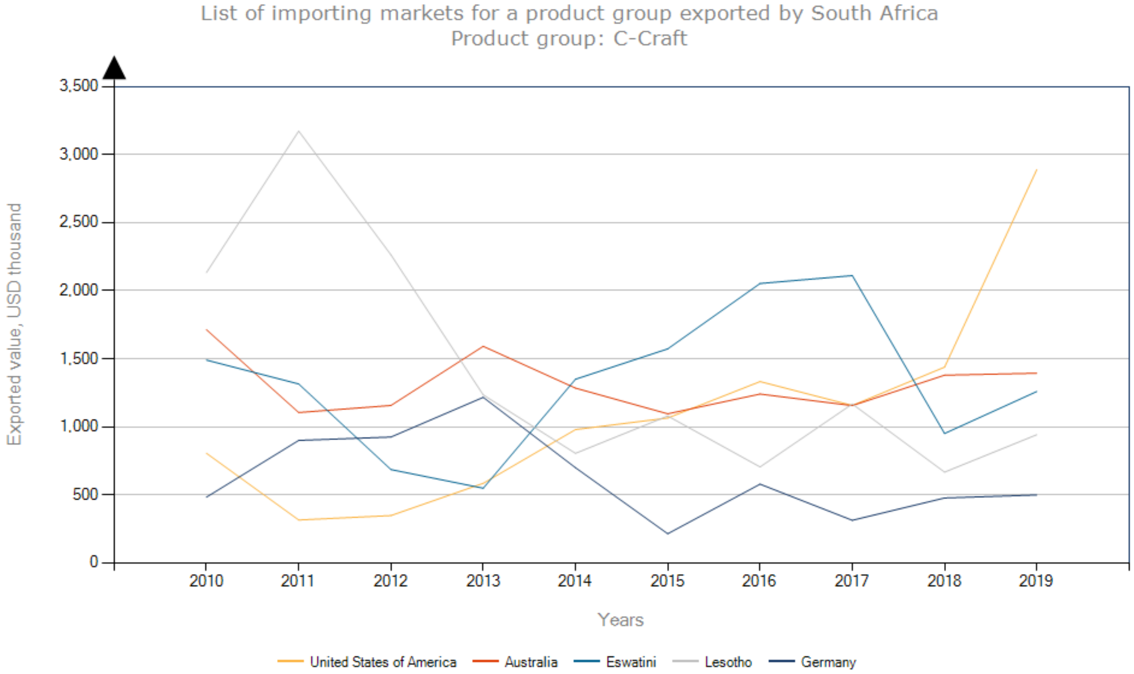


Figure 39: The Top Five Countries to Which Craft Products are Exported

Source: ITC (2020)

Neighbouring countries are important markets for craft products and an effort should be used to maintain this. However, new markets especially in North America, Europe and Asia should be explored.

5.11 Books and Press

The sub-domains include:

- Newspapers and magazines;
- Other printed matter;
- Libraries (also virtual); and
- Book fairs.

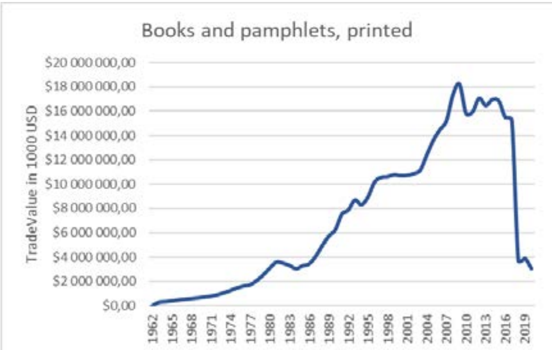


Figure 40: Exports of Books
Source: World Bank (2020)

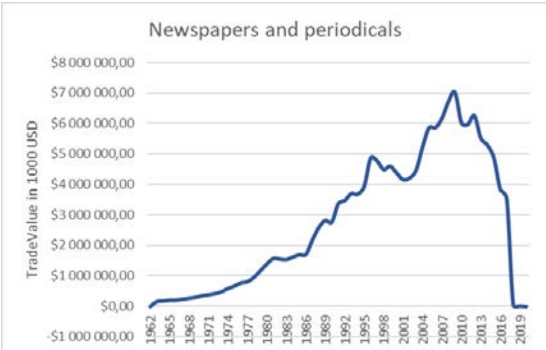


Figure 41: Exports of Newspapers
Source: World Bank (2020)

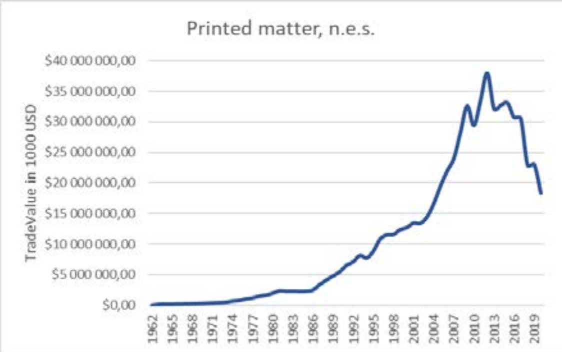


Figure 42: Exports of other printed matter
Source: World Bank (2020)

There is a trend away from traditional media and printed matter and greater use is made of electronic media. In some cases, the electronic media are sold directly and would be reflected in the services exports reported. In other cases, advertisements (usually Google other social media giants) fund electronic media even if it is consumed in foreign markets.

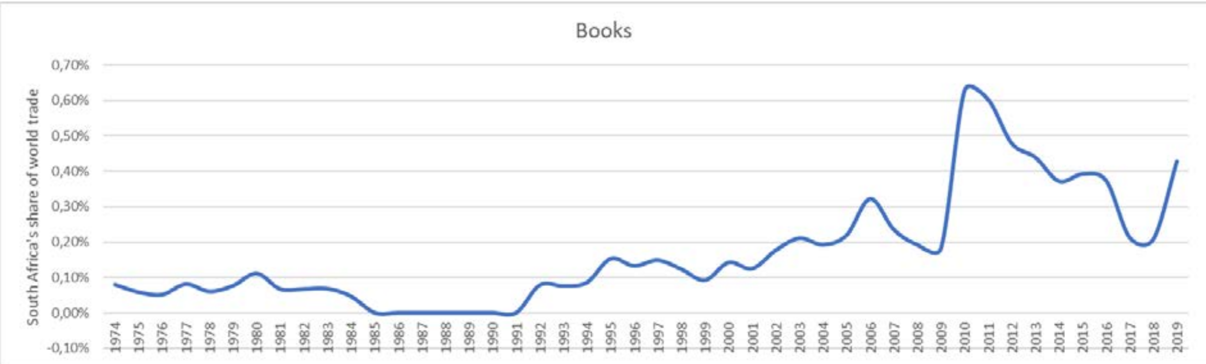


Figure 43: South Africa's Share of World Trade in Books

Source: World Bank (2020)

From approximately 2010 South Africa's share of world trade in books, albeit low, did increase.

From the discussion above, a lower priority should be given to the export of printed matter and a focus on e-commerce and how to protect and monetise the intellectual property of content producers.

Despite this, neighbouring countries and other African continue to buy books (magazines and schoolbooks) from South Africa this market needs to be maintained.

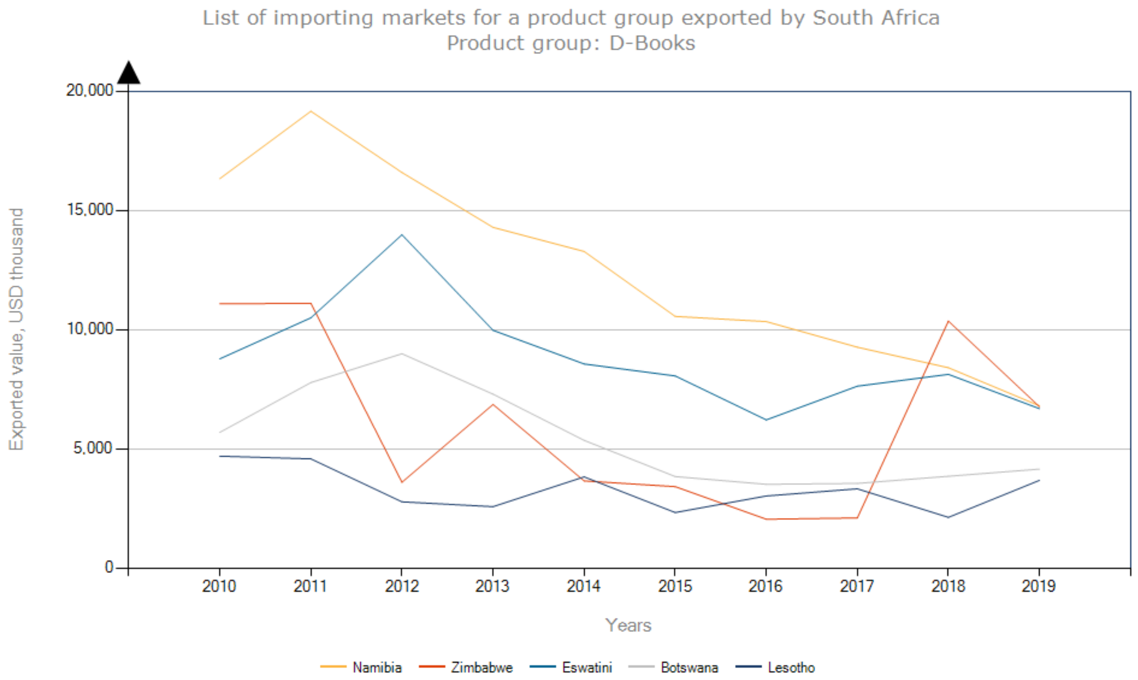


Figure 44: Major Markets for South African Books

Source: ITC (2020)

A similar trend, as can be seen below, for newspapers as consumers turn to e-books and the internet for access to news.

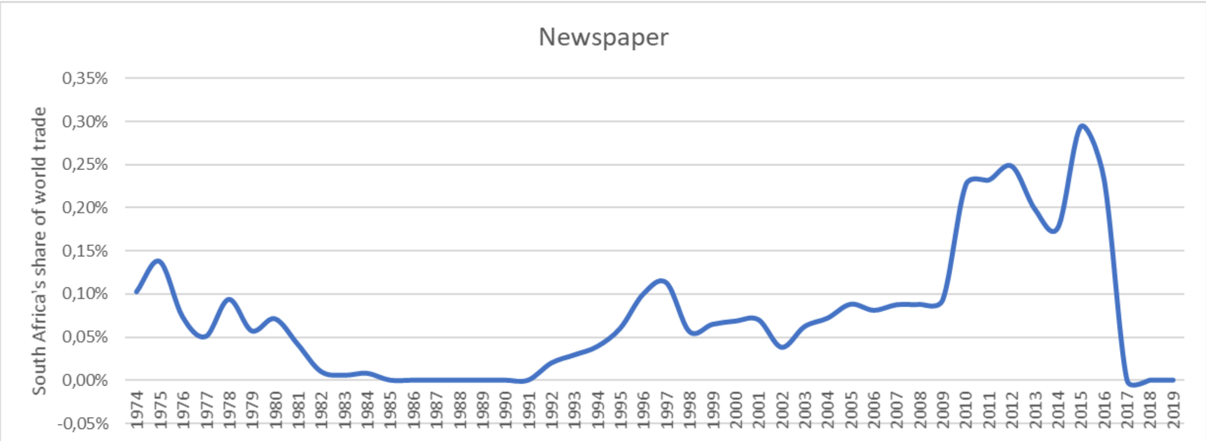


Figure 45: South Africa's Exports of Newspapers

Source: World Bank (2020)

As with books, the major markets for South African newspapers are in our neighbouring and other African countries. The strategy should be to maintain this market's share and grow the market share if possible. This will, however, not mean an increase in the sales of magazines and newspapers.

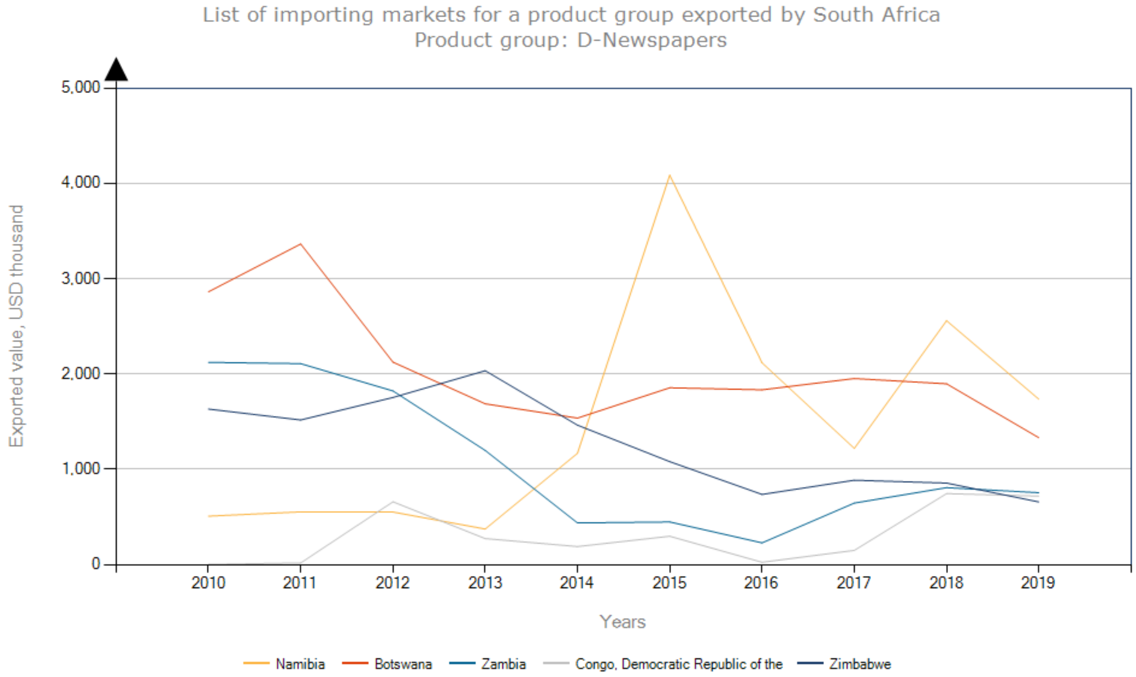


Figure 46: Major Markets for South African Newspapers

Source: ITC (2020)

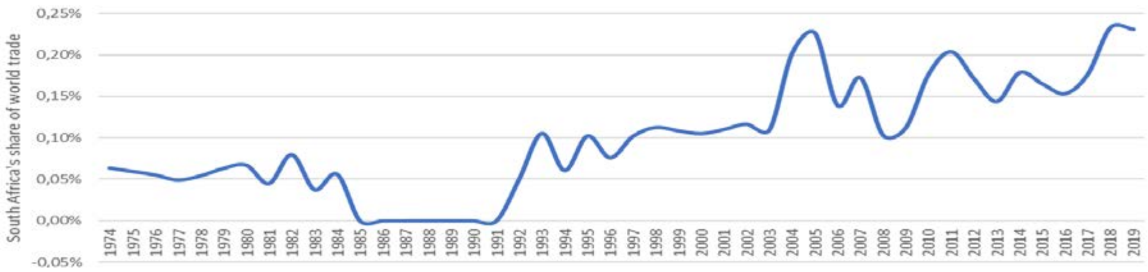


Figure 47: Exports of Other Printed Matter

Source: World Bank (2020)

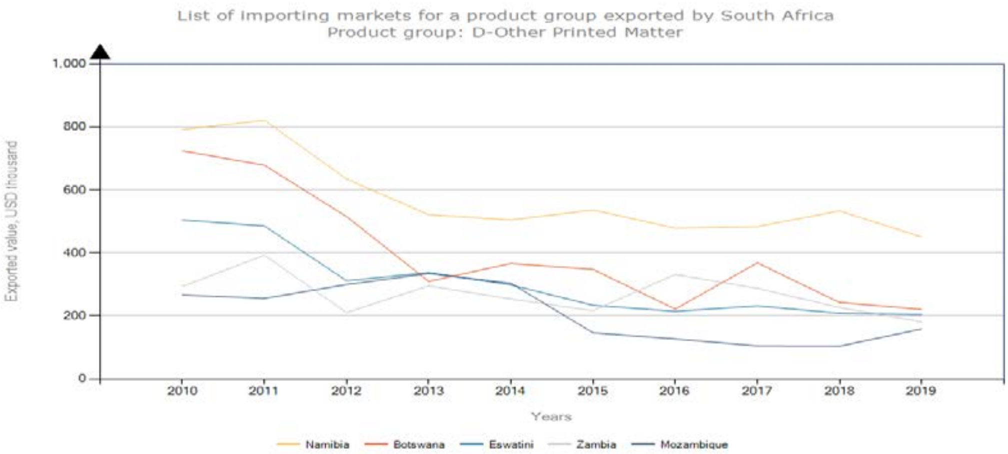


Figure 48: South Africa's Major Markets for Other Printed Matter

Source: ITC (2020)

5.12 Audio-visual and Interactive Media

The sub-domains include:

- Film and video;
- TV and radio (also internet live streaming);
- Internet podcasting;
- Video games (also online).

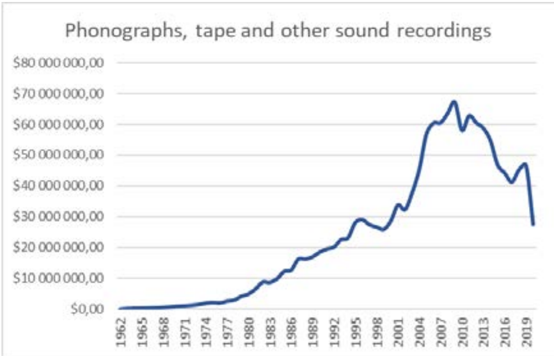


Figure 49: Exports of Other Sound Recordings
Source: World Bank (2020)

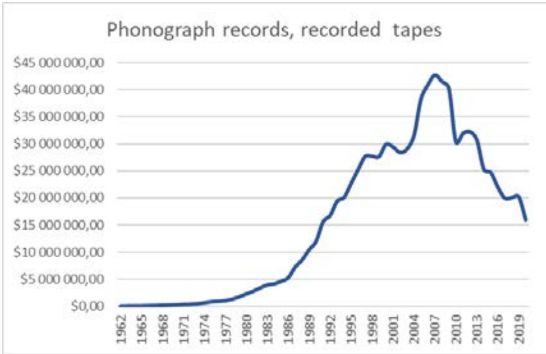


Figure 50:Exports of Sound recordings

Source: World Bank (2020)

Recorded media tends to be sold to South Africa's traditional trading partners in Europe and North America. Physical distribution of recorded media to will continue to decline in favour of streaming services and other electronic media. A special focus should be made on developing the regional market.

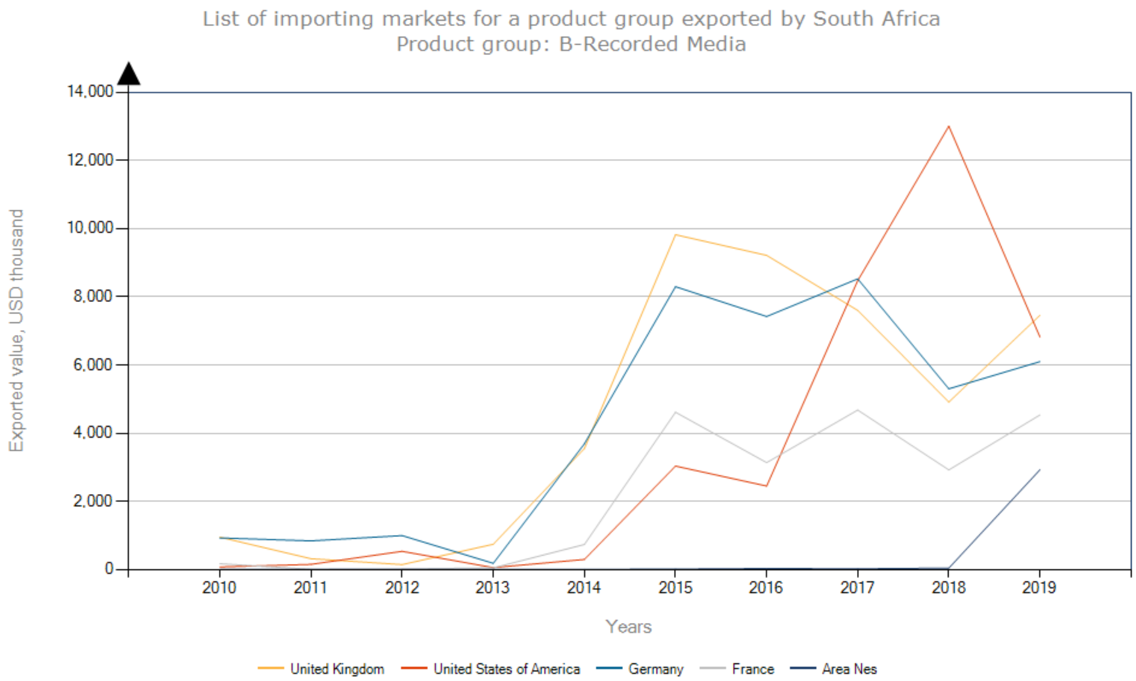


Figure 51: Exports of Recorded Media

Source: ITC (2020)

The audio-visual and interactive media services sector is increasing and becoming more prominent.

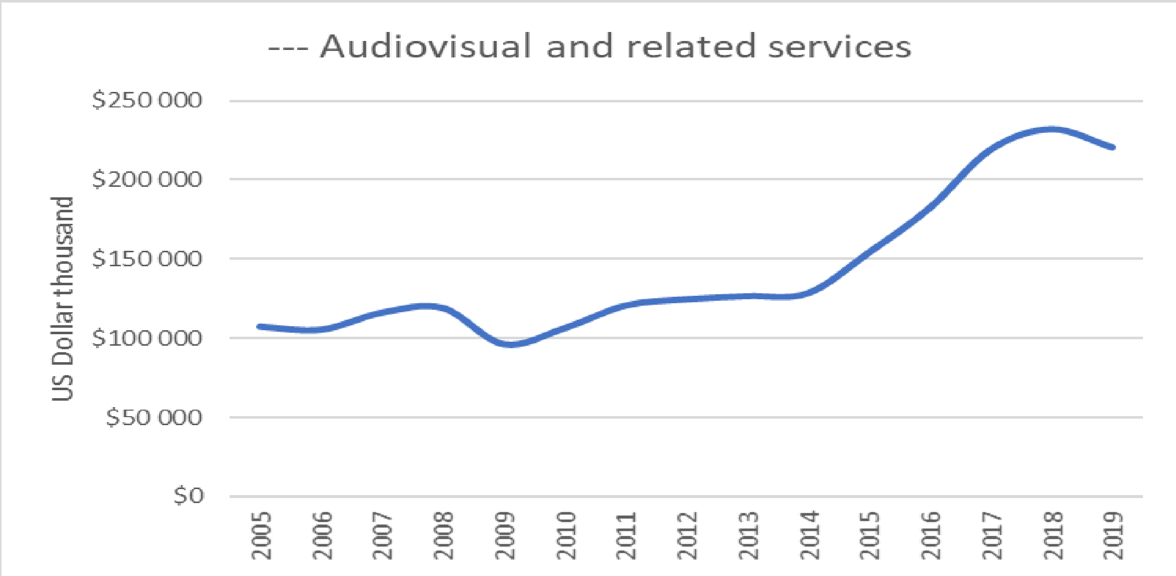


Figure 52: Exports of Audio-Visual Services
Source: ITC (2020)

5.13 Design and Creative Services

The sub-domains include:

- Fashion design;
- Graphic design;
- Interior design;
- Landscape design;
- Architectural services; and
- Advertising services.

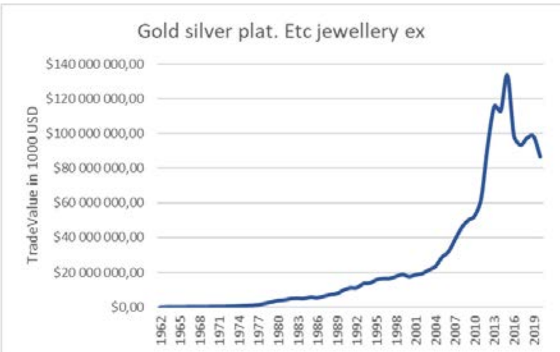


Figure 53: Exports of Precious Jewellery
Source: World Bank (2020)

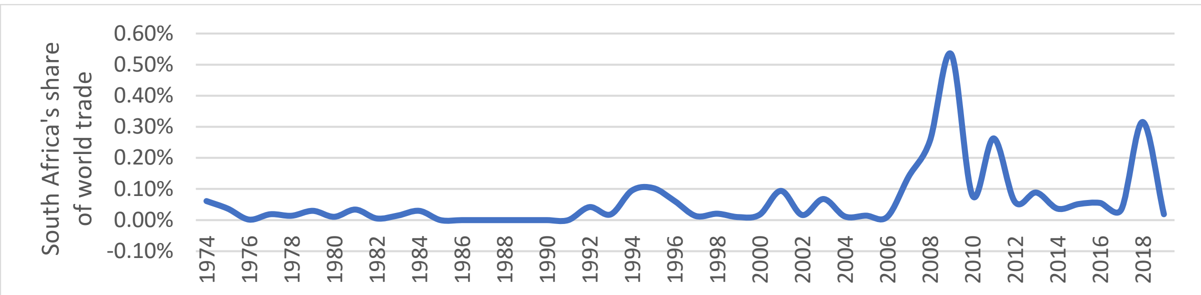


Figure 54: South Africa’s Share of the World Market

Source: World Bank (2020)

Figure 55: South Africa's Share of the World Market in Jewellery

Source: World Bank (2020)

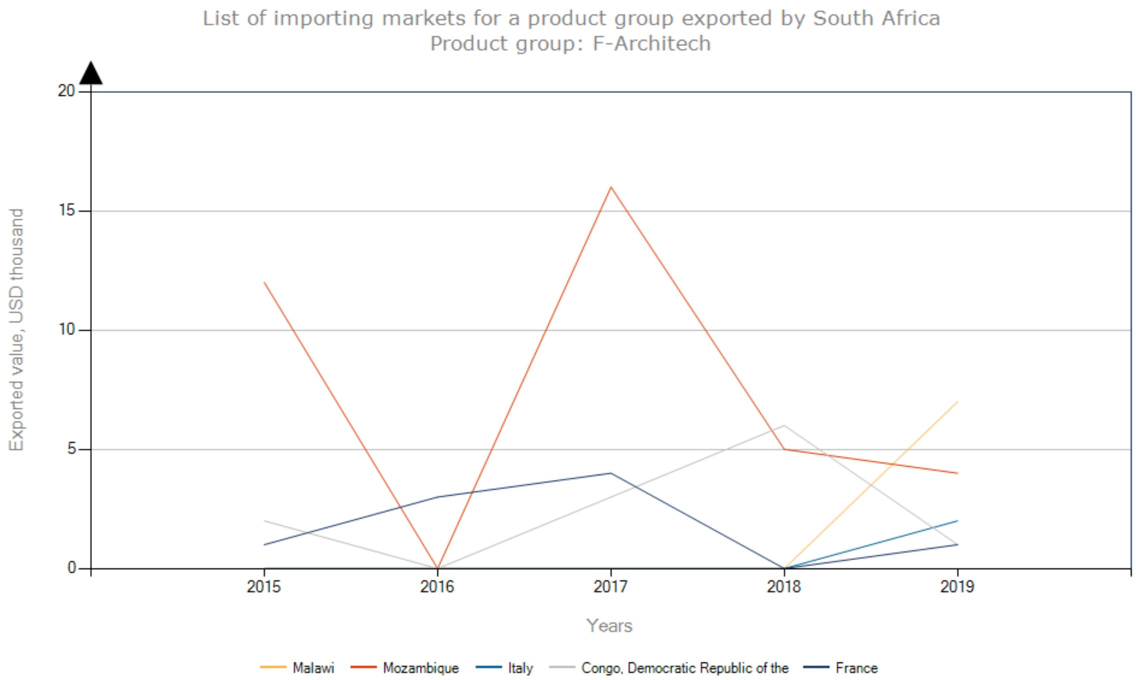


Figure 56: South Africa's Export of Architectural Services

Source: ITC (2020)

South Africa's top markets for architectural services are likely to be found in Africa or to countries that provide loans and aid to African countries.

5.14 Other Service Exports

The "other personal, cultural and recreational services" is quite broad and is not disaggregated sufficiently to identify sectors that are performing well or badly. There was an increase in this category of service exports until approximately 2010, after this there was a moderate decline.

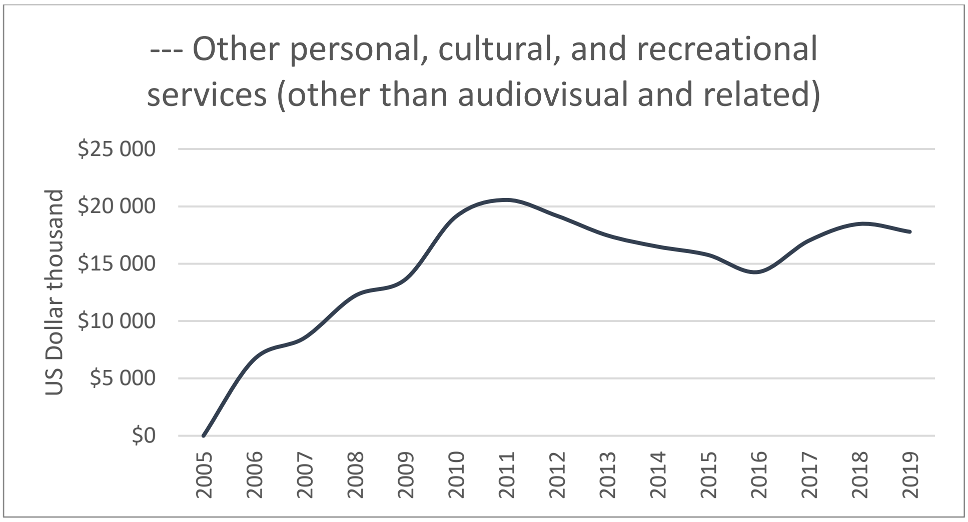


Figure 57: Exports of South Africa's Personal Cultural and Recreational Services

Source: ITC (2020)

5.15 Provincial CCI Trade Data

Although an analysis of the export of CCIs is beyond the scope of this report, it certainly is possible using the SARS Customs and Excise data. This data would be useful for identifying the potential for trade in certain areas and could feed into provincial economic strategies and municipal local economic development plans.

This data could also be used for M&E purposes, both for the provinces and municipalities on the one hand and DSAC on the other. Underperforming subnational governments can be identified and given additional assistance.

The proposed Export Councils should also have access to this information so that they can assist in developing and promoting exports of the products that they are responsible for and also to assist provinces and municipalities draft and monitor CCI export development and promotional strategies.

The data will also be relevant to researchers and post graduate students who analyse CCI trade.

It is recommended that SACO should acquire the data from SARS and make it available to interested stakeholders.

6 Monitoring and Evaluation

The Department of Monitoring and Evaluation is responsible for the coordination of government strategies, planning, monitoring and evaluation to address poverty, unemployment and inequality. There is a strong causal link between exports and growth. With growth; poverty, unemployment and inequality are also addressed. As discussed above the promotion of CCI exports will also have an impact on rural development, youth and woman as well.

6.1 Strategic Outcomes: Proposed Cultural Export Strategy

The INES targets (Govender, 2016, p. 7), which are in line with the export targets of the NDP, are:

- South Africa to grow in total exports by 6% pa in volume as determined in the NDP;
- Exports of manufactured products to grow by 7% pa (double in 10 years) in value;
- Exports of manufactured products to constitute 40% of total manufacturing output by 2030 in value;
- Exports of services to constitute 40% of total services supplied by 2030 in value; and
- South Africa to capture 1% of total world exports by 2030 in value.
- As well as increase export-oriented employment.

Based on these targets, it is proposed that the following outcomes for the domains are:

- Performance and Celebration: grow exports of goods by 6% in value per annual;
- Visual Arts and Crafts: grow exports of goods by 8% in value per annual;
- Books and Press: grow exports of goods by 6% in value per annual;
- Audio-Visual and Interactive Media: grow exports of goods by 6% in value per annual.

Since services are included in many domains, DSAC together with SACO should negotiate with the South African Reserve Bank (SARB) to obtain the necessary data.

6.2 Strategic Outputs: Proposed Cultural Export Strategy

It is necessary to develop output indicators that together will achieve the specific goals.

It is recommended that the DSAC (together with DTIC, DIRCO and the Department of Small Business Development (DSBD) approach the Department of Monitoring and Evaluation to assist in the development of the specific output indicators and who is responsible for each. An interdepartmental committee should also be established that will ensure that the targets are met and that reports are compiled for all relevant stakeholders.

6.2 Indicator Descriptors: Proposed Cultural Export Strategy

It is necessary to develop output indicators that together will achieve the specific goals.

Indicator Descriptors	Unit
Develop Online assessment tool	Development of tool Number of potential exporters assessed
Export Awareness Workshops	Development and update of workshop material Number of accredited facilitators Number of workshops held Number of attendees per domain
CCI Exporter Training	Development and update of training material Number of accredited facilitators Number of training event held Number of qualified trainees per domain
CCI Export Website	Development of Website Number of visits
Export Awards	Scope and prepare for CCI Export Awards Number of entrants per domain
CCI Trade Literature	Number of titles prepared and updated Number of Books/pamphlets sold or distributed

Indicator Descriptors	Unit
Webinars	Number of webinars held Number of attendees
Market Access - A South African Trade Policy and Strategy Framework	Number of submissions made by Export Councils
Africa Continental Free Trade Area (AfCFTA)	Total CCI trade with Africa
Cultural Diplomacy	Number of events held for each Cultural Season Change in export value and volume for the next five years
Trade Missions	Number of trade missions (not included in the Cultural Seasons) Change in export value and volume for the next five years
Exhibitions	Number of general and specialised exhibitions(not included in the Cultural Seasons) organised by Export Council Change in export value and volume for the next five years
Branding	A CCI Branding Policy
Databases	Development of a CCI Database Number of potential and actual exporters Increase in the net number of exporters registered annually
Institutional Framework - Export Councils	Establishment of Export Council
Associations - Cooperatives Policy and Export Villages	Export Village Policy Pilot Export village No of registered Export Villages Exports generated by Export Villages
Market Prioritisation tools (The Gravity Model)	Develop a Gravity Model to determine market potential Number of users of the tool

7 Conclusion and Recommendations

South Africa's trade in CCIs is probably smaller than it should be and therefore there is a potential for it to increase. Based on the review of relevant literature, the existing South African institutions, and the analysis of the trade data the following broad recommendations are made.

7.1 Summary of the Strategies Emerging from the Literature Review

The report has highlighted areas where specific strategic policy options should be developed. However, broad strategies should include:

The broad Cultural Export Strategy would therefore include a focus on:

- Enterprises (exporters and potential exporters);
    - retaining existing exporters;

    - developing new exporters;
- Product and markets;
    - Intensive margin (selling more of the same products to existing markets);
    - Extensive margin – Goods (developing new products to sell to existing markets); and
    - Extensive margin – Markets (developing new markets to sell existing products).

The report has indicated a few supply-side measures that should be aligned with the proposed CCI Export Strategy and included in the Master Plan that is currently been developed.

7.2 Export Culture

International trade is an important driver of the economies and has the potential to create higher value-added employment. South Africa must retain both the existing exports (both products and markets) as well as its exporters, while at the same time growing its exports. Typically, TPOs focus on developing new exporters rather than retaining and growing existing exporters. Both are important in the Cultural Export Strategy.

Importance components that would contribute to the development of the export culture is information that can be conveyed in workshops, seminars, and publications. DSAC should prepare "pro forma" material that can be used and adapted by the various institutions. SACO should develop an online "export readiness assessment tool" (that would complement its existing South African Festival Economic Impact Calculator).

7.3 Alignment and Using Existing Policies, Instruments, and Institutions

The report has pointed out a number of institutions that can be used to help develop and implement a CCI Export Strategy and specifically at the domain level.

7.3.1 Retention and Development of Exporters

Gouws and Jordaan (2016) found, using the World Bank's Exporter Dynamics database (Cebeci et al., 2012), that with 50% and 30% retention in the value of exports, the could be an increase in GDP of 0.5% and 0.3% respectively and 54 400 and 32 600 full time equivalent (FTE) job opportunities created.

Similarly, if new entrants could increase the value (of the average of new entrants) by 50% and 30% retention in the value of exports an increase in GDP of 0,42% and 0,25% respectively and 44 750 and 26 650 FTE job opportunities that can be created.

The Cultural Export Strategy must include the retention and growth of existing exporters of CCIs as well as the development of new exporters of CCIs.

7.3.2 Diversification

Growth of exports can also be achieved by developing new products or new markets. It can also be achieved by grow by selling more of the products it currently exports to the current markets. This is referred to as export penetration or growing the intensive margin.

Export diversification is the adjustment in the constitution of either an existing export product mix or its export destination. South Africa must also develop new markets for existing export products (export market development) or develop new export products for sale in existing markets (export product development). South Africa can also sell new products to new markets. This, product development and markets development are referred to as growing the extensive margin.

7.3.3 Institutions

The DTIC, DIRCO SBD and DSAC at Central government level all have an interest in promoting CCIs. Some of these departments have agencies that can assist with development and the rollout of CCI Export Strategy. Similarly, at the provincial and municipal level there are economic development agencies that have been established to promote exports and develop exporters. The provincial departments responsible for Arts and Culture on the one hand and economic development on the other hand should ensure that the National CCI Export Strategy is included in their plans and strategies.

In addition, South Africa has a number of institutions that promote the development of the various CCI domains. Each domain should set up an Export Council, in line with the guidelines laid down by DTIC, that will work with TISA, DTIC and DSAC to assist with the implementation of the CCI Export Strategy. Where necessary, DSAC and the relevant Export Council should enter into MoUs or MoAs to ensure that there is coordination and implementation.

7.3.4 Data

SACO should develop a database of exporters and potential exporters that can be linked to a database of CCI enterprises in general. This database, although hosted by SACO, should be maintained by the various development agencies and the CCI Export Councils.

As well as this database, a database of trade statistics should be created and regularly updated. The database should be made available to the Export Councils and other relevant stakeholders so that they can monitor the impact of their interventions. The database could also be made available to post graduate students who can be encouraged to undertake research on South Africa's CCI trade.

7.3.5 A reference panel

A reference panel should be appointed that will use the data provided in this report, the Mapping study, and other reports including the relevant SACO reports to develop the CCI Export Strategy.

The issues that were identified that can be implemented immediately using existing policies were highlighted in the report and should be undertaken without waiting for further recommendations from the reference panel.

7.4 Conclusion

This report has highlighted that there are many policies and institutions that promote South African exports and exporters. Most of these policies and institutions support all products and services, others are focused on small businesses, a specific geographic area or a particular industrial sector. It is important that the CCI Export Strategy use existing policies and institutions.

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Appendix 1. Defining CCIs

Flew and Cunningham (2010) state "The concept of creative industries emerged in the late 1990s primarily as a policy discourse, although the subsequent decade has seen a lively set of academic as well as industry and policy-related debates about its utility and implications for research, criticism, and creative practice." Although the concept of "CCIs" (or even "creative industries") has been accepted globally, it is understood in different ways in Europe, Asia, Australia, New Zealand, and North America. International bodies including the United Nations Conference on Trade and Development (UNCTAD) and UNESCO have been unsuccessful in achieving consensus.

According to UNCTAD (2016) "Given the complexity of making clear distinctions and defining the borderline between a creative good that is exclusive and mass production, between handmade and machine-made, between decorative and functional, etc., this exercise of compiling statistics for creative goods includes all the creative goods with the above characteristics since they fall under the criteria of the UNCTAD classification of 'the cycle of creation, production and distribution of a tangible product with creative content, economic and cultural value and a market objective'."

In international trade, mainly for customs purposes, HS[13] is an international standardised system of names and numbers to classify traded products. It was developed by the World Customs Organisation in 1988 and has approximately 200 countries using it. The HS is harmonised at six digits internationally. Countries are permitted to add additional digits for policy, analytical, or other reasons that may be particular to the country concerned. South Africa has eight digits in its customs classification system.

Trade Data
SARS is the legislatively empowered controlling entity for statistics on the importation and exportation of goods . This data is categorised according to the HS. At the international level, the HS for classifying goods is a six-digit code system comprising approximately 5,300 article/product descriptions that appear as headings and subheadings, arranged in 99 chapters and grouped in 21 sections.

Available Data Internationally
There is also data that is available internationally that can be used to compare South Africa's CCI performance to those of other countries and then to identify international best practices that South Africa can learn from.

Comtrade and the World Integrated Trade Solution
United Nations collect information on customs officials across the world to create a database of all international trade between nations. The World Integrated Trade Solution (WITS) augments this with other data. The World Bank, in collaboration with the United UNCTAD and in consultation with organisations such as International Trade Centre, United Nations Statistical Division (UNSD) and the World Trade Organization (WTO), developed the WITS . This software allows users to access and retrieve information on trade and tariffs. Below is list of international organisations that compile this data:

- The UNSD Commodity Trade (UN Comtrade) database contains merchandise trade exports and imports by detailed commodity and partner country data. Values are recorded in US dollars, along with a variety of quantity measures. The database

[13] World Customs Organization. 2007. Harmonized Commodity Description and Coding System, Revision 4 Brussels

includes information on more than 170 countries, and features statistics that have been reported to the United Nations since 1962. These statistics and data continue to be recorded according to internationally recognised trade and tariff classifications.

- The UNCTAD Trade Analysis Information System (TRAINS) contains information on imports, tariffs, para-tariffs and non-tariff measures. The data on tariffs, para-tariffs and non-tariff measures are available at the most detailed commodity level of the national tariffs (i.e., at the tariff line level). The data are recorded according to three internationally recognised trade and tariff classifications
- The WTO's Integrated Data Base (IDB) contains imports by commodity and partner countries and Most Favoured Nation (MFN) applied and, where available, data on preferential tariffs at the most detailed commodity level of the national tariffs. The Consolidated Tariff Schedule Data Base (CTS) contains WTO-bound tariffs, Initial Negotiating Rights and other indicators. The CTS reflects the concessions made by countries during goods negotiations (e.g., the Uruguay Round of Multilateral Trade Negotiations). The IDB and CTS are practical working tools and there are no implications as to the legal status of the information contained therein.
- The World Bank and the Center for International Business, Tuck School of Business at Dartmouth College Global Preferential Trade Agreements Database provide information on preferential trade agreements (PTAs) around the world, including agreements that have not yet been notified to the WTO. This resource helps trade policy makers, research analysts, the academia, trade professionals and other individuals better understand and navigate the world of PTAs.

This dataset can be used to determine what the cultural trade is between countries and well allow South Africa to compare its performance with our countries. It can also be used to identify potential market gaps that can be used to encourage exporters and potential exporters to improve South Africa's trade performance.

UNCTAD

UNCTAD's data centre gives access to more than 150 time-series covering a broad range of topics and built upon common rules and harmonised production processes. Most of the time-series data covers long periods for almost all economies of the world as well as more than 150 ready-to-use analytical country groupings.

Tables are regularly updated and classified by subject area (Trade, investment, maritime transport, etc.) for easier navigation. Our data browser facilitates easy selection and reorganization of data, the construction of bespoke tables or graphic presentations, as well as personalized functionalities and extraction options." http://unctadstat.unctad.org/EN/ accessed 15 September 2016.

This data centre has a major heading for the creative economy that includes creative goods, creative services, and related industries. The data however only has trade data and trade indicators (for creative goods exports and imports for individual countries, geographical regions, and economic groupings) from 2003 to 2012. UNCTAD secretariat calculations, based on UN DESA Statistics Division, UN COMTRADE.

Correlations

Correspondence tables or Concordances are tools for the linking of classifications. It explains where, and to what extent, the categories in one classification may be found in other classifications, or in earlier versions of the same classification. Tables are important for the development and harmonisation of international classifications. There are many different circumstances under which one may want to establish relations between classifications, and many forms which these relations may take. Tables can be precise, depending on the convention to describe the type of link between tables (e.g. historical, hierarchical or whether they overlap). (Source: United Nations Statistics Division, Fourth Meeting of the Expert Group on International Economic and Social Classifications, New York, 2-4 November 1998: A Statement of Best Practices. Http://unstats.un.org/unsd/class/family/glossary_short.asp)

Productive Activities, Industries and Products

The reference classification for productive activities, industries, and products is the Central Product Classification (CPC). The Harmonised Commodity Description and Coding System (HS) serves a similar function for goods that are traded across borders. Derived classifications include:
Classification of Products by Activity (CPA)

Standard International Trade Classification (SITC)

Production in the SNA consists of processes or activities carried out under the control and responsibility of institutional units that use inputs of labour, capital, goods and services to produce outputs of goods and services. Industries are defined in the SNA in the same way as in the ISIC [14] [15] [16]. That is an industry consists of a group of establishments engaged in the same, or similar, kinds of activity. An industry consists of some establishments engaged in the same type of production.
There are some other industry classification systems or industry taxonomies that organise companies into industrial groupings based on similar production processes, similar products, or similar behaviour in financial markets. These are sponsored by different organisations and based on various criteria[17]. However, for this study, the ISIC and the South African Standard Industrial Classification (SIC) will be used.
A one-to-one correspondence does not exist between activities and products. Certain activities produce more than one product simultaneously, while the same product may sometimes be produced by using different techniques of production. Products are classified according to the CPC[18]. Rapid technological advances created new industries and products that needed to be tracked using the reference classifications[19].

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[14] United Nations. 2008. International Standard Industrial Classification of all Economic Activities (*ISIC*) Revision 4. Department of Economic and Social Affairs, Statistics Division, Statistical papers, Series M, No 4, Rev. 4. United Nations, New York.

[15] At the most detailed level of classification, an industry consists of all the establishments falling within a single Class of *ISIC*. At higher levels of aggregation corresponding to the Groups, Divisions and, ultimately, Sections of the *ISIC*, industries consist of a number of establishments engaged on similar types of activities. (SNA 5.56

[16] ISIC was initially adopted in 1948, ISIC Rev 2 was adopted in 1968, ISIC Rev 3 was adopted in 1989 (decade long review process), ISIC Rev 3.1 was adopted in 2002 and ISIC Rev 4 was adopted in 2006 (structure approved in 2006, manual published in 2008)

[17] These include International Standard Industrial Classification of All Economic Activities (ISIC); North American Industry Classification System (NAICS); Statistical Classification of Economic Activities in the European Community (NACE); Australian and New Zealand Standard Industrial Classification (ANZSIC); Standard Industrial Classification (SIC);Industry Classification Benchmark (ICB); Global Industry Classification Standard (GICS); United Kingdom Standard Industrial Classification of Economic Activities (UKSIC); Thomson Reuters Business Classification (TRBC); and the Swedish Standard Industrial Classification (SNI).

[18] United Nations. 2008. Central Product Classification (CPC) Version 2. Department of Economic and Social Affairs, Statistics Division, Statistical papers, Series M, No 77, Ver. 2. United Nations, New York.

[19] CPC Provisional was approved in 1989, CPC V 1.0 was approved in 1997, CPC V 1.1 was approved in 2002 CPC V 2.0 structure was approved in 2006 (published in 2008)

The CPC is a classification based on the physical characteristics of goods or on the nature of the services rendered, while the ISIC also takes into account the inputs in the production process and the technology used in the production process. The majority of links between ISIC and CPC will tend to be one-to-many links, with a few cases requiring many-to-one links.

				Corresponding	
Group	**Class**	**Subclass**	**Description**	**HS 2007**	**ISIC Rev.4**
	8319	83190	Other management services, except construction project management services		7020
832			**Architectural services, urban and land planning and landscape architectural services**		
	8321		Architectural services and advisory services		
		83211	Architectural advisory services		7110
		83212	Architectural services for residential building projects		7110
		83213	Architectural services for non-residential building projects		7110
		83214	Historical restoration architectural services		7110

Figure 58: The CPC and Corresponding HS and ISIC classifications for services

Source: http://unstats.un.org/unsd/cr/registry/regot.asp?Lg=1

				Corresponding	
Group	**Class**	**Subclass**	**Description**	**HS 2007**	**ISIC Rev.4**
	3252	32520	Music, printed or in manuscript	4904	5920
	3253	32530	Printed or illustrated postcards; printed cards bearing personal greetings or messages, with or without envelopes or trimmings	4909	5819
	3254	32540	Printed pictures, designs and photographs	4911.91	5819
	3255	32550	Plans and drawings for architectural, engineering, industrial, commercial, topographical or similar purposes, being originals drawn by hand; hand-written texts; photographic reproductions and carbon copies of the foregoing	4906	7110
326			**Stamps, cheque forms, banknotes, stock certificates, brochures and leaflets, advertising material and other printed matter**		
	3261	32610	Unused postage, revenue or similar stamps; stamp-impressed paper; cheque forms; banknotes, stock, share or bond certificates and similar documents of title	4907	5310, 6411

Figure 59: The CPC and Corresponding HS and ISIC classifications for products

Source: http://unstats.un.org/unsd/cr/registry/regot.asp?Lg=1

Appendix 2. Trade Promotion Organisations and Related Organisations

Trade Investment South Africa

TISA is responsible for administering the EMIA schemes. The division also provides wide-ranging information on export markets and opportunities; exporters are informed about the requirements for entering foreign markets and identifying export markets for their products and services. The Department currently has economic representatives in some 29 strategically selected countries.

The DTIC offers a range of incentives, not all specifically for export although all would contribute to the development of industries with export potential. These have been covered in the previous section dealing with the present policy environment. As has been noted already, there is generally rather limited knowledge of these incentives.

Export Credit Insurance Corporation

The government-owned Export Credit Insurance Corporation of South Africa (Pty) Ltd (ECIC) provides export credit insurance mainly for capital goods and services. Political and some commercial risks are covered. Government underwriting of political risk in export transactions is common internationally.

Financing facilities offered by banks and financial institutions, such as the Industrial Development Corporation of South Africa Limited (IDC), are enhanced by the credit insurance cover and interest support from ECIC.

Small Enterprise Development Agency

The Small Enterprise Development Agency (SEDA) is an agency of the DTIC. SEDA was established in December 2004, through the National Small Business Amendment Act, Act 29 of 2004 and the merging of several institutions.

It is mandated to implement government's small business strategy; design and implement a standard and common national delivery network for small enterprise development; and integrate government-funded small enterprise support agencies across all tiers of government.

SEDA has a wide geographic spread with offices in all provinces and therefore has a significant reach across South Africa. SEDA works with a number of supporting departments and agencies. Its services include basic advice on how to start a business and where to get assistance, including information on business incubation; helping start-up companies in respect of financing, managing and marketing their businesses; and providing a range of assistance to growing small businesses. SEDA operates several incubation centres. The Community Public-Private Partnership Programme supports the establishment and growth of viable, sustainable cooperatives and collectively owned enterprises in various sectors.

SEDA's export services are not given top prominence on the institution's web site; they include comprehensive export training programmes and partnership programmes with foreign agencies such as the Dutch CBI.

Provincial

Investment promotion, export development and small enterprise development at provincial level is the responsibility of the Provincial Departments of Economic Development and generally implemented through their economic development agencies. In some cases there is only one agency responsible for all economic development activities, while in other cases specialist agencies have been established.

Most provinces are involved, even if it be nominally, with export promotion or development. The focus (and budget) generally seems to be on export promotional activities such as trade missions and exhibitions. What little exporter development there is, is generally undertaken by national departments especially TISA and SEDA. However, these seem to be undertaken in partnership with the provinces.

Appendix 3. Preferential Trade Agreements

Preferential trade agreements are just one of a number of factors affecting the flow of international trade in cultural products. WTO commitments, other tariff and non-tariff barriers, regulations and transport costs are also key factors, among others. This section introduces the main trade agreements relevant for South Africa's cultural goods trade with the EU from a comparative regional perspective, with reference to trade relations with BRICS and African trading partners, as background to the analysis in Section 5.

As noted in Cattaneo and Snowball (2019), South Africa is a member of the WTO and its cultural goods trade with countries with which it does not have a trade preference arrangement is influenced by existing MFN ("most favoured nation") tariffs set according to WTO rules and commitments. Cultural goods trade is also impacted upon by WTO agreements such as the Agreement on Trade-related Aspects of Intellectual Property Rights, while the GATS affects cultural services trade. In the southern African region, South Africa is a member of the longstanding Southern African Customs Union (SACU) with Botswana, Lesotho, Namibia and Swaziland. SACU dates back to 1910, providing for the duty-free movement of goods, a common external tariff and a revenue-sharing arrangement that is of particular importance to the smaller member countries. South Africa is also a member of the SADC, which comprises the SACU partners together with 11 other southern African countries. A free trade area (FTA) is in place between most SADC Member States, according to the 1996 SADC Trade Protocol (SADC, 1996).

Preferential trade relations between South Africa and the EU have a long history. Trade relations between the EU and the African, Caribbean and Pacific (ACP) countries were governed by the Lomé Convention from 1975 to 2000, and involved non-reciprocal market access for the ACP countries into the EU market. Following moves to bring the EU-ACP trading relationship into line with WTO rules and develop reciprocity, the Lomé Convention was replaced by the Cotonou Agreement in June 2000. A waiver from MFN obligations for the Cotonou Agreement was granted by the WTO while the EU initiated Economic Partnership Agreement (EPA) negotiations with different ACP regions. South Africa, because of its more developed status, was excluded from the trade provisions of the Lomé Convention and Cotonou Agreement. As a result, the South African government engaged in its own separate trade negotiations with the EU in the immediate post-apartheid period. In 1999, the two parties signed the Trade, Development and Cooperation Agreement (TDCA). This occurred prior to the conclusion of the revised 2002 SACU Agreement under which SACU Member States resolved to negotiate all future trade agreements with other parties as a bloc. The TDCA provided for the formation of an FTA by 2012 with asymmetric tariff reductions in the interim. South Africa was to liberalise 86 per cent of imports from the EU by the end of the implementation period, and the EU 95 per cent over 10 years, beginning in 2000 (WTO, 2009: 292).

As the TDCA implementation period drew to a close, South Africa and other African countries engaged in difficult and often divisive EPA negotiations with the EU. Three negotiating configurations emerged in southern and eastern Africa which largely cut across existing regional groupings. The SADC-EPA configuration included all SACU countries plus Angola and Mozambique (constituting neither SACU nor the existing SADC). The EAC-EPA grouping comprised the East African Community (EAC) Member States while most other SADC members negotiated in the ESA-EPA grouping. A major concern regarding the various EPA negotiations was the potential impact on Africa's regional integration agenda. In eastern and southern Africa the outcome has been three different EU EPA configurations with differing tariff reduction schedules and rules of origin, as well as different provisions on the use of policy tools such as export taxes and MFN clauses affecting tariff concessions to third countries. There are also divisions on the way forward regarding services and investment negotiations with the EU. The extent to which these different configurations will affect the ability of African countries to develop common positions in key areas of trade and investment policy remains to be seen.

The SADC-EU EPA, signed in 2016, to which South Africa and the EU are signatories, does not have specific provisions regarding cultural goods trade between the parties. The Agreement however incorporates a tariff phasedown schedule for trade in goods, including the cultural product categories set out in UNESCO's Framework for Cultural Statistics (FCS). The specifics of the tariffs applied by South Africa on cultural goods imports from the EU, and the preference margins involved, are discussed in detail in Section 5.4 of the study's findings below. The SADC-EU EPA does provide, in the general exception clause (Article 97), that the Agreement shall not "prevent the adoption or enforcement by either Party of measures…imposed for the protection of national treasures of artistic, historic or archaeological value." The Agreement also makes provision for future negotiations on services trade and intellectual property rights, both of which would impact on the cultural trade of the participating parties.

South Africa, as a member of SADC, is signatory to a number of SADC Protocols, other than the Protocol on Trade, that are relevant for cultural trade in the southern African region (Cattaneo and Snowball, 2019). These include the Protocol on Culture, Information and Sport (SADC, 2001) and the Protocol on Trade in Services (SADC, 2012). The Protocol on Culture, Information and Sport (SADC, 2001) calls for the promotion of the cultural and creative sector in the region, and provides for measures that may be needed to "nurture, protect and promote" infant industries. The SADC Trade Protocol also provides for the protection of infant industries. Although cultural goods trade is not explicitly mentioned, the Article on General Exceptions (as in the case of the SADC-EU EPA) provides for the implementation of measures "imposed for the protection of national treasures of artistic, historic or archaeological value" (SADC, 1996). The Protocol on Culture, Information and Sport and the Trade Protocol both emphasise the importance of regional collaboration on intellectual property legislation and, in particular, copyright protection.

In addition to SADC, South Africa is part of the Tripartite Free Trade Area (TFTA) Agreement between the three eastern and southern African regional communities SADC, Comesa and the EAC. The TFTA was initiated in June 2015 with the aim of harmonising the trade regimes of the three eastern and southern African regional economic communities to address problems of overlapping membership. In the TFTA context, South Africa has engaged in negotiations with those regional partners with which it does not yet have a trade agreement. The tariff schedules for the TFTA, once finalised, will also impact on cultural goods trade in the region. At the continental level, South Africa signed the Agreement to Establish the AfCFTA in July 2018. This AU/OAU initiative dates back to the 1980 Lagos Plan of Action and the 1991 Abuja Treaty Establishing the African Economic Community (OAU, 1980; 1991). In recent years, problems related to overlapping membership and the EPA negotiations with the EU lent impetus to both the TFTA and AfCFTA negotiations. The AfCFTA negotiations will provide an opportunity for African countries to develop a cultural trade regime in line with the AU's Agenda 2063 (Cattaneo and Snowball, 2019).

With respect to South Africa's BRICS partners, there is no formal trade agreement with tariff preferences between the BRICS countries as a group. However, two of South Africa's largest trading partners, China and India, are part of BRICS. In addition, South Africa and Brazil are members of the SACU-Mercosur preferential trade agreement (see Section 5.4). South Africa is engaged in ongoing limited Preferential Trade Agreements negotiations with India and signed a Comprehensive Strategic Partnership Agreement with China in 2010 to promote its value added trade with its largest trading partner. A BRICS trade and investment cooperation framework also exists. The importance of these various trade agreements for South Africa's CCI trade is considered further in Section 5.

Appendix 4. Bubble Graphs

There are three dimensions to bubble graphs that have been used to show South Africa's trade.

Firstly, the size of each bubble on the chart represents the value of South Africa's exports of that particular product. The colour of the bubble shows whether South Africa is a net exporter or a net importer of the product.

Secondly, the horizontal axis shows the growth of exports of the particular product for a particular period (2015 to 2019).

Thirdly, the vertical access represents the growth in world trade of the product.

There are four quadrants in the bubble chart:

1. Losers in a declining sector (bottom left hand side quadrant). This is where both the world market is shrinking and South Africa exports are declining. Products in this quadrant should be completely ignored and very little resources used to stimulate them.
2. Losers in a growing sector (top left hand side quadrant). Although South Africa's losing market share, the sector is growing internationally. Research needs to be undertaken to find out the cause that South Africa's losing competitiveness.
3. Winners in a declining sector (bottom right-hand side quadrant). In the short term this may be a lucrative area to exploit, but in the long term it probably would not be advisable. Again, research needs to be undertaken to determine why global trade in the sector is declining and if the decline will be halted. Resources can be spent on the sector with caution.
4. Winners in a growing sector (top right-hand side quadrant). This is an area that South Africa wants to pursue. South African enterprises shown that they are competitive even though the sector is growing. Resources should be prioritised for sectors in this quadrant.

Appendix 5. The Film Industry Value Chain

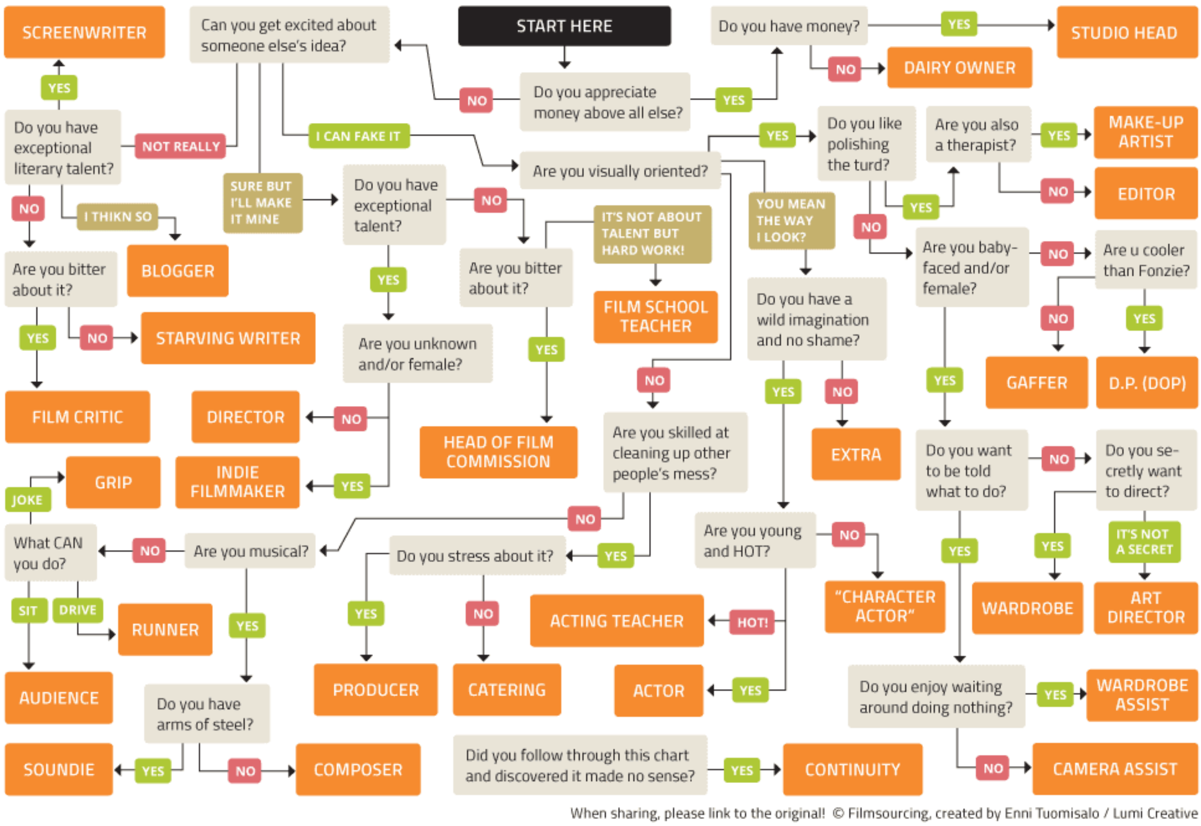

Figure 60: An Example of a Complex Vale Chain - the Film Sector

https://thefilmcloset.wordpress.com/2016/11/29/the-film-industry-value-chain/

Appendix 6. Concentration

The concentration is based on the Herfindahl index. It is calculated by squaring the share of each country in the selected market and by summing the resulting numbers

$$H = \sum_{i=1}^{N} s_i^2$$

where

- s_i is the share of the country *i* in the market, and
- *N* is the number of countries.

The Herfindahl Index (*H*) ranges from 1 / *N* to one. The higher the number the higher the concentration

Example 1: If one country (N=1) has a monopoly i.e. 100% of the market, H = 1

Example 2: Three countries (*N*=3),

- first country has 50% market share;
- second has 25%; and
- third each 25% market share.

Range of values for the index: [1/*N*, 1] = [0.33, 1]
Index = $(0.5)^2+(0.25)^2+(0.25)^2$ = 0.375.

Example 3: 100 countries (N=100) each with 1 per cent market share, H = 0,01

Appendix 7. Comparative Advantage

Table 2: The Revealed Comparative Advantage for CCIs

HS code	Product label	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
A. Cultural and Natural Heritage																				
970500	Collections and collector's pieces of zoological, botanical, mineralogical, anatomical, historical,...	3,24	6,92	7,23	4,07	6,00	4,84	4,97	4,59	6,50	4,06	3,16	6,56	2,87	2,99	3,47	3,61	3,04	3,51	3,31
970600	Antiques of > 100 years old	0,06	0,20	0,04	0,05	0,03	0,03	0,03	4,19	0,03	0,06	0,04	0,02	0,03	0,02	0,03	0,01	0,00	0,00	0,01
B. Performance and Celebration																				
490400	Music, printed or in manuscript, whether or not bound or illustrated	0,03	0,02	0,01	0,01	0,10	0,00	0,01	0,01	0,05	0,05	0,01	0,05	0,05	0,03	0,07	0,03	1,94	3,88	1,65
830610	Bells, gongs and the like, non-electric, of base metal (excluding musical instruments)	0,09	0,32	0,26	0,15	0,10	0,15	0,09	0,18	0,17	0,14	0,14	0,16	0,20	0,15	0,18	0,11	0,21	0,16	0,16
852321	Cards incorporating a magnetic stripe for the recording of sound or of other phenomena	0,00	0,00	0,00	0,00	0,00	0,00	0,30	1,72	2,25	2,34	0,98	0,76	0,58	1,16	0,91	1,71	1,39	2,31	1,63
852329	Magnetic media for the recording of sound or of other phenomena (excluding cards incorporating...	0,00	0,00	0,00	0,00	0,00	0,00	0,13	0,12	0,04	0,12	0,08	0,08	0,07	0,09	0,07	0,07	0,60	1,19	1,30
852351	Solid-state, non-volatile data storage devices for recording data from an external source [flash drive etc]	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,01	0,02	0,01	0,05	0,04	0,03	0,03	0,03	0,06	0,04	0,06
852359	Semiconductor media, unrecorded, for the recording of sound or of other phenomena (excluding...	0,00	0,00	0,00	0,00	0,00	0,00	0,29	0,59	0,64	0,19	0,25	0,22	0,23	0,18	0,17	0,42	0,08	0,08	0,29
852380	Media for the recording of sound or of other phenomena, whether or not recorded, incl. matrices...	0,00	0,00	0,00	0,00	0,00	0,00	0,39	0,29	0,49	0,92	0,70	0,64	0,76	2,51	5,38	4,43	3,42	1,31	0,88
920600	Percussion musical instruments, e.g. drums, xylophones, cymbals, castanets, maracas	0,07	0,06	0,12	0,11	0,12	0,05	0,06	0,11	0,10	0,11	0,13	0,13	0,16	0,19	0,24	0,18	0,15	0,13	0,11
C. Visual Arts and Crafts																				
370510	Photographic plates and film, exposed and developed, for offset reproduction (excluding products...	0,14	0,11	0,27	0,60	0,47	0,58	0,60	1,23	2,36	3,90	3,96	3,59	3,18	8,38	5,79	5,32	0,00	0,00	0,00
370590	Photographic plates and film, exposed and developed (excluding products made of paper, paperboard...	0,07	0,05	0,10	0,16	0,07	0,03	0,04	0,02	0,02	0,09	0,10	0,04	0,02	0,03	0,02	0,03	0,00	0,00	0,00
392640	Statuettes and other ornamental articles, of plastics	0,07	0,12	0,09	0,10	0,08	0,06	0,07	0,05	0,06	0,04	0,03	0,03	0,03	0,03	0,05	0,05	0,05	0,03	0,04

HS code	Product label	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
442010	Statuettes and other ornaments, of wood (excluding wood marquetry and inlaid wood)	0,83	1,03	0,67	0,51	0,71	0,48	0,54	0,47	0,42	0,56	0,43	0,54	0,48	0,49	0,27	0,32	0,32	0,18	0,23
442090	Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, and similar articles,...	0,44	0,54	0,37	0,40	0,31	0,23	0,35	0,40	0,38	1,18	1,07	1,17	1,48	1,20	1,14	0,95	1,08	1,28	1,37
491191	Pictures, prints and photographs, n.e.s.	0,15	0,29	0,24	0,31	0,14	0,14	0,28	0,24	0,23	0,33	0,19	0,27	0,20	0,29	0,20	0,17	0,19	0,31	0,30
580500	Hand-woven tapestries of the type Gobelin, Flanders, Aubusson, Beauvais and the like, and needle-worked...	0,09	0,26	0,23	0,53	0,23	0,53	0,72	3,78	5,34	4,92	2,92	6,53	0,16	2,00	0,80	2,23	0,68	0,72	14,4
580610	Narrow woven pile fabrics, incl. terry towelling and similar terry fabrics, and chenille fabrics,...	0,07	0,02	0,07	0,03	0,10	0,07	0,01	0,04	0,01	0,04	0,05	0,05	0,07	0,07	0,06	0,04	0,02	0,02	0,02
580620	Narrow woven fabrics of textile materials, containing >= 5% elastomeric yarn or rubber thread...	0,01	0,03	0,02	0,06	0,03	0,02	0,04	0,02	0,06	0,04	0,05	0,05	0,08	0,07	0,07	0,07	0,11	0,15	0,18
580631	Narrow woven fabrics of cotton, with a width of <= 30 cm, n.e.s.	0,11	0,10	0,02	0,02	0,22	0,03	0,01	0,04	0,05	0,66	0,12	0,11	0,09	0,07	0,08	0,10	0,09	0,04	0,03
580632	Narrow woven fabrics of man-made fibres, with a width of <= 30 cm, n.e.s.	0,49	0,75	0,80	0,85	0,66	0,84	0,65	0,64	0,62	0,52	0,45	0,45	0,50	0,44	0,37	0,43	0,40	0,42	0,46
580639	Narrow woven fabrics of textile materials other than cotton or man-made fibres, with a width...	0,42	0,42	0,46	0,27	0,14	0,17	0,40	0,43	0,11	0,82	1,23	0,82	0,81	0,70	0,91	0,60	0,89	1,33	1,64
580640	Narrow fabrics consisting of warp without weft assembled by means of an adhesive "bolducs,"...	0,00	0,06	0,00	0,00	0,02	0,00	0,00	0,00	0,00	0,14	0,43	0,31	0,49	0,70	0,92	1,01	0,72	0,70	0,50
580810	Braids in the piece	0,08	0,02	0,04	0,00	0,02	0,07	0,03	0,01	0,02	0,48	0,36	0,48	0,52	0,59	0,51	0,58	1,54	1,02	1,08
580890	Ornamental trimmings of textile materials, in the piece, not embroidered, other than knitted...	12,2	13,0	12,7	10,7	10,4	10,1	6,91	4,95	3,35	0,90	0,23	0,33	0,27	0,27	0,44	0,40	0,25	0,43	0,51
580900	Woven fabrics of metal thread and woven fabrics of metallised yarn of heading 5605, of a kind...	0,70	0,65	1,42	1,06	2,01	0,27	0,29	0,77	0,35	0,88	0,69	0,34	0,78	1,01	1,62	0,12	0,06	0,40	0,17
581010	Embroidery on a textile fabric ground without visible ground, in the piece, in strips or in...	0,11	0,07	0,02	0,01	0,00	0,00	0,03	0,01	0,06	0,20	0,13	0,12	0,06	0,03	0,05	0,05	0,11	0,05	0,02
581091	Embroidery of cotton on a textile fabric ground, in the piece, in strips or in motifs (excluding...	0,01	0,02	0,06	0,02	0,02	0,01	0,01	0,05	0,01	0,48	0,71	0,85	0,24	0,17	0,09	0,07	0,13	0,05	0,08
581092	Embroidery of man-made fibres on a textile fabric base, in the piece, in strips or in motifs...	0,02	0,02	0,01	0,02	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

HS code	Product label	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
581099	Embroidery of materials other than cotton or man-made fibres, on a textile fabric base, in...	0,09	0,06	0,02	0,02	0,02	0,02	0,01	0,06	0,04	0,20	0,13	0,12	0,09	0,20	0,53	0,11	0,13	0,34	0,20
581100	Quilted textile products in the piece, composed of one or more layers of textile materials...	0,10	0,13	0,07	0,05	0,04	0,06	0,05	0,03	0,01	0,44	0,22	0,26	0,16	0,07	0,15	0,21	0,13	0,25	0,10
600240	Knitted or crocheted fabrics, of a width of <= 30 cm, containing >= 5% by weight elastomeric...	0,00	0,03	0,03	0,02	0,00	0,00	0,02	0,00	0,00	1,17	0,01	0,03	0,01	0,03	0,29	0,59	0,88	0,14	0,07
600290	Knitted or crocheted fabrics, of a width of <= 30 cm, containing >= 5% by weight elastomeric...	0,00	0,46	0,27	0,11	0,07	0,13	0,07	0,11	0,30	0,62	0,17	0,16	0,31	0,95	0,39	0,25	0,40	0,42	0,70
600310	Knitted or crocheted fabrics of wool or fine animal hair, of a width of <= 30 cm (excluding...	0,00	0,08	0,41	0,00	0,00	0,00	0,00	0,00	0,00	0,43	0,32	0,33	0,04	0,44	2,50	0,09	0,06	0,00	0,00
600320	Knitted or crocheted fabrics of cotton, of a width of <= 30 cm (excluding those containing...	0,00	0,01	0,05	0,02	0,01	0,01	0,02	0,00	0,01	1,41	1,94	0,02	0,01	1,01	0,56	2,11	0,16	0,08	0,08
600330	Knitted or crocheted fabrics of synthetic fibres, of a width of <= 30 cm (excluding those containing...	0,00	0,22	0,05	0,02	0,01	0,01	0,01	0,00	0,00	0,01	0,00	0,00	0,02	0,04	0,09	0,02	0,01	0,00	0,03
600340	Knitted or crocheted fabrics of artificial fibres, of a width of <= 30 cm (excluding those...	0,00	0,00	0,00	0,10	0,00	0,01	0,00	0,00	0,00	0,80	2,05	0,13	0,08	0,15	0,34	0,00	0,00	0,03	0,20
600390	Knitted or crocheted fabrics of a width of <= 30 cm (excluding of cotton, man-made fibres,...	0,00	2,51	0,08	0,19	0,03	0,36	0,03	0,12	0,03	0,53	0,44	0,26	0,39	0,97	7,87	14,6	6,37	0,21	1,64
600410	Knitted or crocheted fabrics, of a width of > 30 cm, containing >= 5% by weight elastomeric...	0,00	0,00	0,00	0,00	0,00	0,01	0,00	0,00	0,00	0,02	0,01	0,01	0,01	0,00	0,00	0,00	0,00	0,00	0,01
600490	Knitted or crocheted fabrics, of a width of > 30 cm, containing >= 5% by weight elastomeric...	0,00	0,00	0,07	0,01	0,00	0,00	0,00	0,01	0,01	0,08	0,09	0,10	0,07	0,06	0,04	0,04	0,07	0,07	0,03
691310	Statuettes and other ornamental articles of porcelain or china, n.e.s.	0,06	0,03	0,03	0,08	0,02	0,02	0,05	0,08	0,04	0,03	0,02	0,01	0,01	0,04	0,02	0,02	0,02	0,02	0,03
691390	Statuettes and other ornamental ceramic articles, n.e.s. (excluding of porcelain or china)	0,24	0,23	0,27	0,23	0,14	0,20	0,24	0,28	0,22	0,19	0,14	0,17	0,17	0,20	0,19	0,24	0,15	0,16	0,14
701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls,...	0,92	0,09	0,24	0,10	0,07	0,16	0,17	0,10	0,16	0,30	0,25	0,30	0,43	0,23	0,20	0,14	0,13	0,22	0,17
711311	Articles of jewellery and parts thereof, of silver, whether or not plated or clad with other...	0,66	0,01	0,02	0,02	0,02	0,18	0,01	0,01	0,03	0,06	0,03	0,04	0,07	0,04	0,03	0,05	0,03	0,03	0,03

HS code	Product label	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
711319	Articles of jewellery and parts thereof, of precious metal other than silver, whether or not...	0,39	0,60	0,67	0,67	0,60	0,46	0,35	0,28	0,23	0,12	0,08	0,07	0,09	0,09	0,17	0,26	0,27	0,41	0,28
711320	Articles of jewellery and parts thereof, of base metal clad with precious metal (excluding...	1,37	2,07	3,15	3,01	1,43	0,37	0,12	0,18	0,03	0,14	0,21	0,45	0,49	0,26	0,41	0,98	1,97	5,89	0,33
711411	Articles of goldsmiths' or silversmiths' wares or parts thereof, of silver, whether or not...	0,14	0,31	0,52	0,32	0,06	0,06	0,02	0,22	0,01	0,08	0,07	0,07	0,20	0,10	0,16	0,19	0,22	1,24	0,28
711419	Articles of goldsmiths' or silversmiths' wares or parts thereof, of precious metal other than...	0,36	0,27	0,03	0,05	0,01	0,01	0,03	0,01	0,00	0,00	0,01	0,00	0,01	0,50	0,35	0,02	0,01	0,37	0,03
711420	Articles of goldsmiths' or silversmiths' wares and parts thereof, of base metal clad with precious...	1,77	3,32	0,37	0,52	0,08	1,07	0,10	0,40	0,07	0,30	0,08	0,28	0,86	3,80	2,27	1,16	0,72	0,49	0,33
711610	Articles of natural or cultured pearls, n.e.s.	0,01	0,02	0,06	0,00	0,01	0,01	0,03	0,01	0,01	0,02	0,01	0,03	0,04	0,04	0,05	0,06	0,01	0,01	0,02
711620	Articles of precious or semi-precious stones "natural, synthetic or reconstructed," n.e.s.	0,09	0,14	0,13	0,08	0,09	0,07	0,06	0,10	0,40	0,39	0,03	0,69	0,07	0,43	0,05	0,05	0,09	0,08	0,06
830621	Statuettes and other ornaments, of base metal, plated with precious metal (excluding works...	0,06	0,13	0,11	0,05	0,11	0,11	0,07	0,02	0,08	1,25	0,17	0,08	0,08	0,07	0,10	0,15	0,07	0,21	0,72
830629	Statuettes and other ornaments, of base metal, not plated with precious metal (excluding works...	0,10	0,18	0,34	0,25	0,17	0,13	0,22	0,20	0,15	0,16	0,14	0,11	0,10	0,10	0,09	0,14	0,21	0,19	0,15
960110	Worked ivory and articles of ivory, n.e.s.	0,66	0,84	0,56	0,90	1,10	0,43	0,61	0,69	3,57	2,46	0,73	0,72	0,53	1,36	0,94	0,47	2,10	0,72	0,97
960190	Worked bone, tortoiseshell, horn, antlers, coral, mother-of-pearl and other animal carving...	1,13	1,72	0,97	0,95	1,18	0,98	1,20	1,32	3,63	2,48	1,03	2,16	1,74	1,44	1,11	0,85	1,14	1,21	1,34
970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by...	0,15	0,25	0,16	0,16	0,28	0,11	0,11	0,23	0,13	0,12	0,08	0,15	0,33	0,17	0,12	0,38	0,16	0,16	0,19
970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by...	0,15	0,25	0,16	0,16	0,28	0,11	0,11	0,23	0,13	0,12	0,08	0,15	0,33	0,17	0,12	0,38	0,16	0,16	0,19
970190	Collages and similar decorative plaques	0,18	1,22	0,55	0,59	0,33	0,62	1,09	1,58	1,37	1,93	2,40	1,04	12,0	2,15	8,93	5,73	16,3	5,69	3,86
970200	Original engravings, prints and lithographs	0,05	0,65	0,05	0,06	0,06	0,10	0,06	0,05	0,44	0,20	0,59	0,08	0,16	0,12	2,51	0,11	0,14	0,46	0,36
970200	Original engravings, prints and lithographs	0,05	0,65	0,05	0,06	0,06	0,10	0,06	0,05	0,44	0,20	0,59	0,08	0,16	0,12	2,51	0,11	0,14	0,46	0,36

HS code	Product label	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
970300	Original sculptures and statuary, in any material	1,80	1,32	1,08	0,95	0,67	0,64	0,67	0,53	0,37	0,35	0,24	0,18	0,22	0,40	0,27	0,60	0,50	0,92	1,55
D. Books and Press																				
490110	Printed books, brochures and similar printed matter, in single sheets, whether or not folded...	0,28	0,52	0,84	0,77	0,35	0,32	0,15	0,19	0,14	0,87	1,04	0,83	0,67	0,79	0,61	1,07	0,50	0,46	0,95
490191	Dictionaries and encyclopaedias, and serial instalments thereof	0,51	0,48	0,37	0,10	0,14	0,20	0,07	0,12	0,04	1,01	1,06	0,74	0,84	0,55	0,44	0,60	0,96	0,56	0,42
490199	Printed books, brochures and similar printed matter (excluding those in single sheets; dictionaries,...	0,27	0,46	0,41	0,35	0,48	0,75	0,53	0,42	0,43	1,07	0,89	0,80	0,82	0,68	0,74	0,66	0,58	0,76	0,59
490210	Newspapers, journals and periodicals, whether or not illustrated or containing advertising...	0,08	0,04	0,02	0,03	0,05	0,02	0,03	0,07	0,02	0,29	0,26	0,46	0,48	0,38	0,42	0,76	0,55	0,48	0,51
490290	Newspapers, journals and periodicals, whether or not illustrated or containing advertising...	0,17	0,11	0,16	0,17	0,20	0,20	0,20	0,20	0,23	0,42	0,40	0,45	0,38	0,35	0,61	0,45	0,51	0,70	0,58
490300	Children's picture, drawing or colouring books	0,06	0,02	0,01	0,01	0,02	0,02	0,11	0,04	0,03	0,08	0,07	0,05	0,06	0,06	0,09	0,09	0,10	0,07	0,06
490510	Globes, printed (excluding relief globes)	1,05	0,23	0,11	0,11	0,27	0,44	0,37	0,40	0,67	1,82	1,06	0,56	1,01	0,49	0,37	0,26	0,12	0,15	0,10
490591	Maps and hydrographic or similar charts of all kinds, incl. atlases and topographical plans,...	0,19	0,50	0,69	0,42	0,56	0,26	0,48	0,63	0,19	1,39	0,57	0,49	0,69	0,56	0,71	0,57	0,65	0,23	0,21
490599	Maps and hydrographic or similar charts of all kinds, incl. atlases, wall maps and topographical...	0,39	0,13	0,51	0,44	0,80	0,72	0,63	0,58	0,68	0,70	0,67	1,13	0,33	0,29	0,44	0,29	0,43	0,51	0,33
490900	Printed or illustrated postcards; printed cards bearing personal greetings, messages or announcements,...	0,08	0,15	0,07	0,06	0,07	0,07	0,06	0,05	0,04	0,16	0,19	0,09	0,12	0,09	0,08	0,10	0,10	0,08	0,06
491000	Calendars of any kinds, printed, incl. calendars blocks	0,44	1,32	0,72	0,48	0,38	0,39	0,52	0,32	0,56	0,75	0,70	0,75	0,66	0,68	0,60	0,63	0,56	0,55	0,65
E. Audio-visual & Interactive Media																				
370610	Cinematographic film, exposed and developed, whether or not incorporating soundtrack or consisting...	0,09	0,14	0,01	0,01	0,01	0,01	0,32	0,07	0,00	0,04	0,00	0,01	0,03	0,13	0,10	0,00	0,00	0,00	0,00
370690	Cinematographic film, exposed and developed, whether or not incorporating soundtrack or consisting...	1,74	0,90	0,69	0,52	7,64	33,67	28,09	0,10	7,63	0,07	0,30	0,06	0,06	0,06	0,08	0,00	0,00	0,00	0,00
950410	Video games for use with a television receiver	0,01	0,03	0,02	0,02	0,02	0,01	0,01	0,01	0,04	0,04	0,07	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

HS code	Product label	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
F. Design and Creative Services																				
490600	Plans and drawings for architectural, engineering, industrial, commercial, topographical or...	0,21	0,04	0,16	0,03	0,03	0,02	0,30	0,55	1,22	0,14	0,44	0,11	0,18	0,07	0,10	0,12	0,06	0,63	0,04

Appendix 8. Grubel–Lloyd Index

Table 3: The Grubel–Lloyd Indices for CCIs

Code	Product label	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
A. Cultural and Natural Heritage														
970500	Collections and collectors pieces of zoological, botanical, mineralogical, anatomical, historical,...	0,62	0,14	0,06	0,09	0,06	0,10	0,13	0,11	0,17	0,17	0,14	0,13	0,18
970600	Antiques of > 100 years old	0,33	0,68	0,19	0,30	0,12	0,15	0,09	0,33	0,12	0,27	0,22	0,11	0,26
B. Performance and Celebration														
490400	Music, printed or in manuscript, whether or not bound or illustrated	0,05	0,05	0,03	0,01	0,15	0,00	0,01	0,01	0,08	0,11	0,03	0,09	0,09
830610	Bells, gongs and the like, non-electric, of base metal (excluding musical instruments)	0,12	0,37	0,35	0,13	0,12	0,15	0,12	0,24	0,24	0,31	0,31	0,36	0,37
852321	Cards incorporating a magnetic stripe for the recording of sound or of other phenomena	0,00	0,00	0,00	0,00	0,00	0,00	0,34	0,88	0,88	0,78	0,28	0,32	0,22
852329	Magnetic media for the recording of sound or of other phenomena (excluding cards incorporating...	0,00	0,00	0,00	0,00	0,00	0,00	0,25	0,24	0,10	0,41	0,37	0,32	0,31
852351	Solid-state, non-volatile data storage devices for recording data from an external source [flash drices]	0,00	0,00	0,00	0,00	0,00	0,00	0,02	0,02	0,03	0,05	0,06	0,16	0,11
852359	Semiconductor media, unrecorded, for the recording of sound or of other phenomena (excluding...	0,00	0,00	0,00	0,00	0,00	0,00	0,12	0,60	0,72	0,52	0,19	0,58	0,42
852380	Media for the recording of sound or of other phenomena, whether or not recorded, incl. matrices...	0,00	0,00	0,00	0,00	0,00	0,00	0,13	0,22	0,46	0,87	0,94	0,86	0,80
920600	Percussion musical instruments, e.g. drums, xylophones, cymbals, castanets, maracas	0,16	0,11	0,17	0,16	0,13	0,06	0,09	0,16	0,12	0,15	0,17	0,16	0,21
C. Visual Arts and Crafts														
370510	Photographic plates and film, exposed and developed, for offset reproduction (excluding products...	0,64	0,19	0,13	0,17	0,00	0,00	0,00	0,19	0,00	0,05	0,02	0,02	0,00
370590	Photographic plates and film, exposed and developed (excluding products made of paper, paperboard...	0,84	0,57	0,79	0,44	0,69	0,29	0,79	0,68	0,95	0,16	0,18	0,38	0,69
392640	Statuettes and other ornamental articles, of plastics	0,50	0,64	0,61	0,52	0,34	0,26	0,31	0,30	0,34	0,27	0,27	0,47	0,29
442010	Statuettes and other ornaments, of wood (excluding wood marquetry and inlaid wood)	0,75	0,64	0,85	0,96	0,92	0,92	0,88	0,86	0,76	0,95	0,88	0,99	0,98

Code	Product label	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
442090	Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, and similar articles,...	0,67	0,51	0,72	0,98	0,82	0,75	0,98	0,88	0,93	0,48	0,47	0,47	0,48
491191	Pictures, prints and photographs, n.e.s.	0,16	0,40	0,30	0,36	0,29	0,30	0,45	0,52	0,37	0,34	0,33	0,49	0,47
580500	Hand-woven tapestries of the type Gobelin, Flanders, Aubusson, Beauvais and the like, and needle-worked...	0,22	0,35	0,42	0,66	0,52	0,94	0,92	0,40	0,60	0,16	0,75	0,98	0,06
580610	Narrow woven pile fabrics, incl. terry towelling and similar terry fabrics, and chenille fabrics,...	0,24	0,06	0,25	0,10	0,38	0,16	0,04	0,09	0,03	0,19	0,18	0,15	0,18
580620	Narrow woven fabrics of textile materials, containing >= 5% elastomeric yarn or rubber thread...	0,09	0,19	0,14	0,38	0,17	0,10	0,24	0,11	0,41	0,08	0,13	0,08	0,47
580631	Narrow woven fabrics of cotton, with a width of <= 30 cm, n.e.s.	0,53	0,82	0,09	0,34	0,51	0,22	0,09	0,15	0,30	0,43	0,83	0,67	0,58
580632	Narrow woven fabrics of man-made fibres, with a width of <= 30 cm, n.e.s.	1,00	0,87	0,78	0,83	0,93	0,87	0,94	0,82	0,95	0,89	0,94	0,90	0,88
580639	Narrow woven fabrics of textile materials other than cotton or man-made fibres, with a width...	0,96	0,78	0,68	0,41	0,27	0,27	0,35	0,42	0,11	0,55	0,87	0,58	0,51
580640	Narrow fabrics consisting of warp without weft assembled by means of an adhesive "bolducs,"...	0,00	0,04	0,00	0,00	0,02	0,00	0,01	0,00	0,00	0,32	0,55	0,45	0,45
580810	Braids in the piece	0,23	0,06	0,12	0,01	0,07	0,19	0,09	0,05	0,07	0,80	0,14	0,15	0,16
580890	Ornamental trimmings of textile materials, in the piece, not embroidered, other than knitted...	0,04	0,06	0,05	0,10	0,13	0,18	0,23	0,26	0,44	0,96	0,44	0,62	0,41
580900	Woven fabrics of metal thread and woven fabrics of metallised yarn of heading 5605, of a kind...	0,22	0,54	0,46	0,32	0,57	0,12	0,14	0,37	0,10	0,09	0,09	0,03	0,06
581010	Embroidery on a textile fabric ground without visible ground, in the piece, in strips or in...	0,16	0,14	0,04	0,01	0,00	0,00	0,06	0,01	0,13	0,31	0,13	0,15	0,13
581091	Embroidery of cotton on a textile fabric ground, in the piece, in strips or in motifs (excluding...	0,17	0,08	0,35	0,12	0,06	0,05	0,04	0,20	0,03	0,73	0,98	0,89	0,71
581092	Embroidery of man-made fibres on a textile fabric base, in the piece, in strips or in motifs...	0,04	0,05	0,04	0,05	0,01	0,00	0,01	0,00	0,00	0,02	0,01	0,01	0,01
581099	Embroidery of materials other than cotton or man-made fibres, on a textile fabric base, in...	0,62	0,41	0,11	0,07	0,07	0,08	0,04	0,22	0,11	0,51	0,32	0,42	0,26
581100	Quilted textile products in the piece, composed of one or more layers of textile materials...	0,36	0,40	0,23	0,20	0,16	0,21	0,19	0,23	0,08	0,67	0,75	0,50	0,24

Code	Product label	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
600240	Knitted or crocheted fabrics, of a width of <= 30 cm, containing >= 5% by weight elastomeric...	0,00	0,06	0,05	0,05	0,01	0,00	0,03	0,00	0,00	0,51	0,13	0,30	0,06
600290	Knitted or crocheted fabrics, of a width of <= 30 cm, containing >= 5% by weight elastomeric...	0,00	0,82	0,64	0,45	0,31	0,37	0,29	0,44	0,84	0,62	0,73	0,60	0,75
600310	Knitted or crocheted fabrics of wool or fine animal hair, of a width of <= 30 cm (excluding...	0,00	0,25	0,14	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
600320	Knitted or crocheted fabrics of cotton, of a width of <= 30 cm (excluding those containing...	0,00	0,46	0,91	0,53	0,07	0,07	0,15	0,00	0,02	0,86	0,11	0,03	0,11
600330	Knitted or crocheted fabrics of synthetic fibres, of a width of <= 30 cm (excluding those containing...	0,00	0,41	0,15	0,03	0,01	0,02	0,01	0,00	0,01	0,02	0,02	0,02	0,09
600340	Knitted or crocheted fabrics of artificial fibres, of a width of <= 30 cm (excluding those...	0,00	0,00	0,00	0,20	0,00	0,02	0,00	0,00	0,00	0,30	0,45	0,09	0,03
600390	Knitted or crocheted fabrics of a width of <= 30 cm (excluding of cotton, man-made fibres,...	0,00	0,12	0,91	0,72	0,02	0,17	0,11	0,24	0,08	0,59	0,65	0,32	0,52
600410	Knitted or crocheted fabrics, of a width of > 30 cm, containing >= 5% by weight elastomeric...	0,00	0,01	0,01	0,00	0,01	0,03	0,00	0,00	0,00	0,05	0,03	0,03	0,01
600490	Knitted or crocheted fabrics, of a width of > 30 cm, containing >= 5% by weight elastomeric...	0,00	0,01	0,15	0,06	0,01	0,01	0,00	0,00	0,01	0,03	0,03	0,04	0,03
691310	Statuettes and other ornamental articles of porcelain or china, n.e.s.	0,31	0,22	0,19	0,37	0,09	0,03	0,14	0,32	0,31	0,18	0,27	0,15	0,13
691390	Statuettes and other ornamental ceramic articles, n.e.s. (excluding of porcelain or china)	0,68	0,66	0,73	0,54	0,37	0,29	0,41	0,52	0,49	0,42	0,33	0,32	0,28
701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls,...	0,86	0,27	0,69	0,16	0,13	0,30	0,35	0,47	0,71	0,87	0,75	0,84	0,63
711311	Articles of jewellery and parts thereof, of silver, whether or not plated or clad with other...	0,36	0,06	0,16	0,10	0,13	0,70	0,04	0,09	0,13	0,27	0,15	0,15	0,24
711319	Articles of jewellery and parts thereof, of precious metal other than silver, whether or not...	0,54	0,36	0,33	0,46	0,61	0,74	0,91	0,84	0,78	0,92	0,87	0,93	0,95
711320	Articles of jewellery and parts thereof, of base metal clad with precious metal (excluding...	0,60	0,30	0,32	0,50	0,73	0,50	0,23	0,75	0,34	0,73	0,88	0,73	0,63
711411	Articles of goldsmiths or silversmiths wares or parts thereof, of silver, whether or not...	0,37	0,70	0,58	0,85	0,14	0,27	0,12	0,82	0,13	0,15	0,06	0,06	0,22
711419	Articles of goldsmiths or silversmiths wares or parts thereof, of precious metal other than...	0,76	0,41	0,71	0,64	0,01	0,02	0,09	0,02	0,02	0,01	0,04	0,01	0,01

Code	Product label	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
711420	Articles of goldsmiths or silversmiths wares and parts thereof, of base metal clad with precious...	0,51	0,70	0,46	0,95	0,54	0,56	0,27	0,70	0,24	0,85	0,45	0,39	0,85
711610	Articles of natural or cultured pearls, n.e.s.	0,13	0,44	0,57	0,14	0,24	0,24	0,37	0,22	0,24	0,18	0,10	0,25	0,20
711620	Articles of precious or semi-precious stones "natural, synthetic or reconstructed," n.e.s.	0,88	0,94	0,94	0,60	0,87	0,88	0,58	0,92	0,27	0,23	0,94	0,12	0,70
830621	Statuettes and other ornaments, of base metal, plated with precious metal (excluding works...	0,34	0,56	0,18	0,35	0,36	0,21	0,21	0,03	0,09	0,98	0,30	0,32	0,31
830629	Statuettes and other ornaments, of base metal, not plated with precious metal (excluding works...	0,20	0,37	0,61	0,37	0,27	0,18	0,33	0,29	0,27	0,28	0,25	0,22	0,21
960110	Worked ivory and articles of ivory, n.e.s.	0,13	0,00	0,52	0,82	0,04	0,26	0,42	0,16	0,03	0,16	0,24	0,38	0,07
960190	Worked bone, tortoiseshell, horn, antlers, coral, mother-of-pearl and other animal carving...	0,58	0,51	0,60	0,69	0,79	0,98	0,91	0,92	0,48	0,47	0,84	0,47	0,54
970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by...	0,83	0,93	0,61	0,28	0,76	0,06	0,48	0,51	0,63	0,96	0,47	0,96	0,93
970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by...	0,83	0,93	0,61	0,28	0,76	0,06	0,48	0,51	0,63	0,96	0,47	0,96	0,93
970190	Collages and similar decorative plaques	0,79	0,73	0,16	0,96	0,53	0,88	0,95	0,51	0,54	0,54	0,72	0,80	0,41
970190	Collages and similar decorative plaques	0,79	0,73	0,16	0,96	0,53	0,88	0,95	0,51	0,54	0,54	0,72	0,80	0,41
970200	Original engravings, prints and lithographs	0,20	0,72	0,48	0,40	0,17	0,21	0,24	0,20	0,90	0,73	0,88	0,29	0,69
970200	Original engravings, prints and lithographs	0,20	0,72	0,48	0,40	0,17	0,21	0,24	0,20	0,90	0,73	0,88	0,29	0,69
970300	Original sculptures and statuary, in any material	0,50	0,35	0,36	0,51	0,93	0,38	0,58	0,87	0,71	0,89	0,74	0,67	0,78
970300	Original sculptures and statuary, in any material	0,50	0,35	0,36	0,51	0,93	0,38	0,58	0,87	0,71	0,89	0,74	0,67	0,78
D. Books and Press														
490110	Printed books, brochures and similar printed matter, in single sheets, whether or not folded...	0,83	0,41	0,54	0,54	0,81	0,95	0,33	0,42	0,27	0,50	0,69	0,58	0,89
490191	Dictionaries and encyclopaedias, and serial instalments thereof	0,26	0,28	0,31	0,06	0,16	0,21	0,06	0,18	0,05	0,88	0,91	0,83	0,78
490199	Printed books, brochures and similar printed matter (excluding those in single sheets; dictionaries,...	0,21	0,29	0,26	0,20	0,23	0,37	0,30	0,28	0,28	0,58	0,54	0,44	0,46

Code	Product label	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
490210	Newspapers, journals and periodicals, whether or not illustrated or containing advertising...	0,39	0,93	0,29	0,51	0,49	0,82	0,83	0,48	0,69	0,09	0,09	0,87	0,10
490290	Newspapers, journals and periodicals, whether or not illustrated or containing advertising...	0,38	0,31	0,74	0,86	0,87	0,72	0,83	0,67	0,45	0,76	0,87	0,83	0,96
490300	Childrens picture, drawing or colouring books	0,23	0,07	0,03	0,04	0,06	0,05	0,29	0,11	0,12	0,27	0,22	0,15	0,16
490510	Globes, printed (excluding relief globes)	0,91	0,43	0,27	0,49	0,49	0,88	0,56	0,46	0,98	0,61	0,69	0,99	0,90
490591	Maps and hydrographic or similar charts of all kinds, incl. atlases and topographical plans,...	0,85	0,91	0,86	0,29	0,49	0,30	0,56	0,98	0,70	0,37	0,94	0,81	0,84
490599	Maps and hydrographic or similar charts of all kinds, incl. atlases, wall maps and topographical...	0,57	0,20	0,47	0,62	0,83	0,70	0,68	0,58	0,74	0,79	0,64	0,97	0,52
490900	Printed or illustrated postcards; printed cards bearing personal greetings, messages or announcements,...	0,25	0,37	0,31	0,17	0,19	0,18	0,15	0,16	0,14	0,56	0,65	0,32	0,41
491000	Calendars of any kinds, printed, incl. calendars blocks	0,93	0,58	0,81	1,00	0,76	0,74	0,89	0,69	0,95	0,79	0,83	0,75	0,85
E. Audio-visual & Interactive Media														
370610	Cinematographic film, exposed and developed, whether or not incorporating soundtrack or consisting...	0,09	0,16	0,02	0,01	0,01	0,01	0,62	0,14	0,01	0,12	0,57	0,75	0,53
370690	Cinematographic film, exposed and developed, whether or not incorporating soundtrack or consisting...	0,35	0,36	0,93	0,77	0,16	0,03	0,04	0,80	0,03	0,57	0,00	0,00	0,00
950410	Video games for use with a television receiver	0,05	0,13	0,05	0,05	0,03	0,01	0,02	0,05	0,54	0,67	0,94	0,00	0,00
F. Design and Creative Services														
490600	Plans and drawings for architectural, engineering, industrial, commercial, topographical or...	0,85	0,10	0,71	0,05	0,04	0,06	0,99	0,35	0,17	0,82	0,92	0,70	0,96

Appendix 9. Codes Used by the ITC to Classify Creative Industries

Code	Product label
'TOTAL	All products
	Creative Industries
'490700	Unused postage, revenue or similar stamps of current or new issue in the country in which they have, or will have, a recognised face value; stamp-impressed paper; banknotes; cheque forms; stock, share or bond certificates and similar documents of title
'490199	Printed books, brochures and similar printed matter (excluding those in single sheets; dictionaries, encyclopaedias, periodicals and publications which are essentially devoted to advertising)
'330300	Perfumes and toilet waters (excluding aftershave lotions, personal deodorants and hair lotions)
'420292	Travelling-bags, insulated food or beverage bags, toilet bags, rucksacks, shopping-bags, map-cases, tool bags, sports bags, jewellery boxes, cutlery cases, binocular cases, camera cases, musical instrument cases, gun cases, holsters and similar containers, with outer surface of plastic sheeting or textile materials (excluding trunks, briefcases, school satchels and similar containers, handbags and articles carried in the pocket or handbag)
'940360	Wooden furniture (excluding for offices, kitchens and bedrooms, and seats)
'950430	Games with screens, flipper and other games, operated by coins, banknotes, bank cards, tokens or by other means of payment (excluding bowling alley equipment)
'940320	Metal furniture (excluding for offices, seats and medical, surgical, dental or veterinary furniture)
'420212	Trunks, suitcases, vanity cases, executive-cases, briefcases, school satchels and similar containers, with outer surface of plastics or textile materials
'900410	Sunglasses
'340111	Soap and organic surface-active products and preparations, in the form of bars, cakes, moulded pieces or shapes, and paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent, for toilet use, incl. medicated products
'420222	Handbags, whether or not with shoulder straps, incl. those without handles, with outer surface of plastic sheeting or textile materials
'670490	Wigs, false beards, eyebrows and eyelashes, switches and the like, of animal hair or textile materials (excluding synthetic textile materials)
'940179	Seats, with metal frames (excluding upholstered, swivel seats with variable height adjustments and medical, dental or surgical furniture)
'480100	Newsprint as specified in Note 4 to chapter 48, in rolls of a width > 36 cm or in square or rectangular sheets with one side > 36 cm and the other side > 15 cm in the unfolded state
'940350	Wooden furniture for bedrooms (excluding seats)
'940510	Chandeliers and other electric ceiling or wall lighting fittings (excluding for lighting public open spaces or thoroughfares)
'970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by hand (excluding technical drawings and the like of heading 4906, and hand-painted or hand-decorated manufactured articles)
'691200	Tableware, kitchenware, other household articles and toilet articles, of ceramics other than porcelain or china (excluding baths, bidets, sinks and similar sanitary fixtures, statuettes and other ornamental articles, pots, jars, carboys and similar receptacles for the conveyance or packing of goods, and coffee grinders and spice mills with receptacles made of ceramics and working parts of metal)
'711319	Articles of jewellery and parts thereof, of precious metal other than silver, whether or not plated or clad with precious metal (excluding articles > 100 years old)
'711719	Imitation jewellery, of base metal, whether or not plated with precious metal (excluding cuff links and studs)
'691110	Tableware and kitchenware, of porcelain or china (excluding ornamental articles, pots, jars, carboys and similar receptacles for the conveyance or packing of goods, and coffee grinders and spice mills with receptacles made of ceramics and working parts of metal)
'491199	Printed matter, n.e.s.
'940370	Furniture of plastics (excluding medical, dental, surgical or veterinary, and seats)
'491110	Trade advertising material, commercial catalogues and the like
'640359	Footwear with outer soles and uppers of leather (excluding covering the ankle, incorporating a protective metal toecap, with uppers which consist of leather straps across the instep and around the big toe, sports footwear, orthopaedic footwear and toy footwear)
'950490	Tables for casino games, automatic bowling alley equipment, and other funfair, table or parlour games, incl. pintables (excluding operated by any means of payment, billiards, video game consoles and machines, and playing cards)

'420299	Travelling-bags, shopping or tool bags, jewellery boxes, cutlery cases and similar, with outer surface of vulcanised fibre or paperboard; cases for binoculars, cameras, musical instruments, guns, holsters and similar containers with outer surface of materials (not leather, plastic sheeting or textile materials) (excluding trunks, briefcases, school satchels and similar; handbags; articles normally carried in pocket or handbag)
'711311	Articles of jewellery and parts thereof, of silver, whether or not plated or clad with other precious metal (excluding articles > 100 years old)
'420219	Trunks, suitcases, vanity cases, executive-cases, briefcases, school satchels and similar containers (excluding with outer surface of leather, composition leather, patent leather, plastics or textile materials)
'711790	Imitation jewellery (excluding jewellery, of base metal, whether or not clad with silver, gold or platinum)
'420221	Handbags, whether or not with shoulder straps, incl. those without handles, with outer surface of leather, composition leather or patent leather
'340119	Soap and organic surface-active products and preparations, in the form of bars, cakes, moulded pieces or shapes, and paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent (excluding those for toilet use, incl. medicated products)
'491191	Pictures, prints and photographs, n.e.s.
'940169	Seats, with wooden frames (excluding upholstered)
'340120	Soap in the form of flakes, granules, powder, paste or in aqueous solution
'420329	Gloves, mittens and mitts, of leather or composition leather (excluding special sports gloves)
'701399	Glassware of a kind used for toilet, office, indoor decoration or similar purposes (excluding glassware of lead crystal or of a kind used for table or kitchen purposes, articles of heading 7018, mirrors, leaded lights and the like, lighting fittings and parts thereof, atomizers for perfume and the like)
'420232	Wallets, purses, key-pouches, cigarette-cases, tobacco-pouches and similar articles carried in the pocket or handbag, with outer surface of plastic sheeting or textile materials
'940340	Wooden furniture for kitchens (excluding seats)
'570330	Carpets and other floor coverings, of man-made textile materials, tufted "needle punched," whether or not made up (excluding those of nylon or other polyamides)
'570242	Carpets and other floor coverings, of man-made textile materials, woven, not tufted or flocked, of pile construction, made up (excluding Kelem, Schumacks, Karamanie and similar hand-woven rugs)
'340600	Candles and the like
'970300	Original sculptures and statuary, in any material
'821599	Spoons, forks, ladles, skimmers, cake-servers, fish-knives, butter-knives, sugar tongs and similar kitchen or tableware of base metal, not plated with precious metal (excluding sets of articles such as lobster cutters and poultry shears)
'970190	Collages and similar decorative plaques
'630232	Bedlinen of man-made fibres (excluding printed, knitted or crocheted)
'670210	Artificial flowers, foliage and fruit and parts thereof, and articles made of artificial flowers, foliage or fruit, by binding, glueing, fitting into one another or similar methods, of plastics
'630231	Bedlinen of cotton (excluding printed, knitted or crocheted)
'950510	Christmas articles (excluding candles and electric lighting sets, natural Christmas trees and Christmas tree stands)
'420229	Handbags, whether or not with shoulder strap, incl. those without handle, with outer surface of vulcanised fibre or paperboard, or wholly or mainly covered with such materials or with paper
'670419	False beards, eyebrows and eyelashes, switches and the like, of synthetic textile materials (excluding complete wigs)
'960200	Worked vegetable or mineral carving material and articles of these materials n.e.s; moulded or carved articles of wax, of paraffin, of stearin, of natural gums or natural resins or of modelling pastes, and other moulded or carved articles n.e.s; worked, unhardened gelatin, and articles of unhardened gelatin, n.e.s.
'640420	Footwear with outer soles of leather or composition leather and uppers of textile materials (excluding toy footwear)
'420231	Wallets, purses, key-pouches, cigarette-cases, tobacco-pouches and similar articles carried in the pocket or handbag, with outer surface of leather, composition leather or patent leather
'570299	Carpets and other floor coverings, of vegetable textile materials or coarse animal hair, woven, not tufted or flocked, not of pile construction, made up (excluding Kelem, Schumacks, Karamanie and similar hand-woven rugs, and floor coverings of coconut fibres "coir")
'621430	Shawls, scarves, mufflers, mantillas, veils and similar articles of synthetic fibres (excluding knitted or crocheted)
'680299	Monumental or building stone, in any form, polished, decorated or otherwise worked (excluding calcareous stone, granite and slate, tiles, cubes and similar articles of subheading 6802.10, articles of fused basalt, articles of natural steatite, ceramically calcined, imitation

	jewellery, clocks, lamps and lighting fittings and parts thereof, original sculptures and statuary, setts, curbstones and flagstones)
'830629	Statuettes and other ornaments, of base metal, not plated with precious metal (excluding works of art, collectors' pieces and antiques)
'420100	Saddlery and harness for any animal, incl. traces, leads, knee pads, muzzles, saddle cloths, saddlebags, dog coats and the like, of any material (excluding harnesses for children and adults, riding whips and other goods of heading 6602)
'581092	Embroidery of man-made fibres on a textile fabric base, in the piece, in strips or in motifs (excluding embroidery without visible ground)
'691490	Ceramic articles, n.e.s. (excluding of porcelain or china)
'580410	Tulles and other net fabrics (excluding woven, knitted or crocheted fabrics)
'821520	Sets consisting of one or more knives of heading 8211 and at least an equal number of spoons, forks or other articles of heading 8215, of base metal, containing no articles plated with precious metal
'490110	Printed books, brochures and similar printed matter, in single sheets, whether or not folded (excluding periodicals and publications which are essentially devoted to advertising)
'611710	Shawls, scarves, mufflers, mantillas, veils and the like, knitted or crocheted
'420330	Belts and bandoliers, of leather or composition leather
'490300	Children's picture, drawing or colouring books
'950590	Festival, carnival or other entertainment articles, incl. conjuring tricks and novelty jokes, n.e.s.
'691390	Statuettes and other ornamental ceramic articles, n.e.s. (excluding of porcelain or china)
'630491	Articles for interior furnishing, knitted or crocheted (excluding blankets and travelling rugs, bedlinen, table linen, toilet linen, kitchen linen, curtains, incl. drapes, interior blinds, curtain or bed valances, bedspreads, lampshades and articles of heading 9404)
'640520	Footwear with uppers of textile materials (excluding with outer soles of rubber, plastics, leather or composition leather, orthopaedic footwear and toy footwear)
'570320	Carpets and other floor coverings, of nylon or other polyamides, tufted "needle punched," whether or not made up
'680291	Marble, travertine and alabaster, in any form (excluding tiles, cubes and similar articles of subheading 6802.10, imitation jewellery, clocks, lamps and lighting fittings and parts thereof, buttons, original sculptures and statuary, setts, curbstones and flagstones)
'950440	Playing cards
'630492	Articles for interior furnishing, of cotton (excluding knitted or crocheted, blankets and travelling rugs, bedlinen, table linen, toilet linen, kitchen linen, curtains, incl. drapes, interior blinds, curtain or bed valances, bedspreads, lampshades and articles of heading 9404)
'570390	Carpet tiles of vegetable textile materials or coarse animal hair, tufted "needle punched," whether or not made up
'570500	Carpets and other textile floor coverings, whether or not made up (excluding knotted, woven or tufted needle punched," and of felt)"
'640351	Footwear with outer soles and uppers of leather, covering the ankle (excluding incorporating a protective metal toecap, sports footwear, orthopaedic footwear and toy footwear)
'711590	Articles of precious metal or of metal clad with precious metal, n.e.s.
'481420	Wallpaper and similar wallcoverings of paper, consisting of paper coated or covered, on the face side, with a grained, embossed, coloured or design-printed or otherwise decorated layer of plastics
'392640	Statuettes and other ornamental articles, of plastics
'621490	Shawls, scarves, mufflers, mantillas, veils and similar articles of textile materials (excluding of silk, silk waste, wool, fine animal hair or man-made fibres, knitted or crocheted)
'420321	Specially designed gloves for use in sport, of leather or composition leather
'621710	Made up clothing accessories, of all types of textile materials, n.e.s. (excluding knitted or crocheted)
'830630	Photograph, picture or similar frames, of base metal; mirrors of base metal (excluding optical elements)
'420310	Articles of apparel, of leather or composition leather (excluding clothing accessories, footware and headgear and parts thereof, and goods of chapter 95, e.g. shin guards, fencing masks)
'420500	Articles of leather or composition leather (excluding saddlery and harness bags; cases and similar containers; apparel and clothing accessories; whips, riding-crops and similar of heading 6602; furniture; lighting appliances; toys; games; sports articles; buttons and parts thereof; cuff links, bracelets or other imitation jewellery; made up articles of netting of heading 5608; and articles of plaiting materials)
'420291	Travelling-bags, insulated food or beverage bags, toilet bags, rucksacks, shopping-bags, map-cases, tool bags, sports bags, jewellery boxes, cutlery cases, binocular cases, camera cases, musical instrument cases, gun cases, holsters and similar containers, with outer surface of leather, composition leather or patent leather (excluding trunks, briefcases, school satchels and similar containers, handbags and articles normally carried in the pocket or handbag)

'650400	Hats and other headgear, plaited or made by assembling strips of any material, whether or not lined or trimmed (excluding headgear for animals, and toy and carnival headgear)
'701810	Glass beads, imitation pearls, imitation precious or semi-precious stones and similar glass smallwares, and articles thereof (excluding imitation jewellery); glass eyes (excluding prosthetic articles); statuettes and other ornaments of lamp-worked glass (excluding imitation jewellery); glass microspheres with a diameter of <= 1 mm
'670290	Artificial flowers, foliage and fruit and parts thereof, and articles made of artificial flowers, foliage or fruit, by binding, glueing, fitting into one another or similar methods (excluding of plastics)
'940530	Electric lighting sets of a kind used for Christmas trees
'621600	Gloves, mittens and mitts, of all types of textile materials (excluding knitted or crocheted and for babies)
'420211	Trunks, suitcases, vanity cases, executive-cases, briefcases, school satchels and similar containers, with outer surface of leather, composition leather or patent leather
'961590	Hairpins, curling pins, curling grips, hair-curlers and the like, and parts thereof, n.e.s. (excluding electro-thermic appliances of heading 8516)
'611780	Ties, bow ties, cravats and other made up clothing accessories, knitted or crocheted, n.e.s. (excluding shawls, scarves, mufflers, mantillas, veils and the like)
'630291	Toilet linen and kitchen linen of cotton (excluding of terry fabrics, floorcloths, polishing cloths, dishcloths and dusters)
'630221	Printed bedlinen of cotton (excluding knitted or crocheted)
'920600	Percussion musical instruments, e.g. drums, xylophones, cymbals, castanets, maracas
'670420	Wigs, false beards, eyebrows and eyelashes, switches and the like, of human hair, and articles of human hair, n.e.s.
'570110	Carpets and other textile floor coverings, of wool or fine animal hair, knotted, whether or not made up
'970600	Antiques of > 100 years old
'441400	Wooden frames for paintings, photographs, mirrors or similar objects
'420239	Wallets, purses, key-cases, cigarette-cases, tobacco-pouches and similar articles of a kind normally carried in the pocket or handbag, with outer surface of vulcanised fibre or paperboard, or wholly or mainly covered with such materials or with paper, incl. spectacle cases of moulded plastic material
'630251	Table linen of cotton (excluding knitted or crocheted)
'490900	Printed or illustrated postcards; printed cards bearing personal greetings, messages or announcements, whether or not illustrated, with or without envelopes or trimmings
'490290	Newspapers, journals and periodicals, whether or not illustrated or containing advertising material (excluding those appearing at least four times a week)
'481490	Wallpaper and similar wallcoverings of paper, and window transparencies of paper (excluding wallcoverings of paper, consisting of paper coated or covered, on the face side, with a grained, embossed, coloured or design-printed or otherwise decorated layer of plastics)
'950420	Billiards of all kinds and accessories
'961511	Combs, hair-slides and the like of hard rubber or plastics
'490890	Transfers "decalcomanias" (excluding vitrifiable)
'961519	Combs, hair-slides and the like (excluding of hard rubber or plastics)
'442090	Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, and similar articles, of wood; wooden articles of furniture (excluding statuettes and other ornaments; furniture, lighting fixtures and parts thereof)
'680293	Granite, in any form, polished, decorated or otherwise worked (excluding tiles, cubes and similar articles of subheading 6802.10, imitation jewellery, clocks, lamps and lighting fittings and parts thereof, original sculptures and statuary, setts, curbstones and flagstones)
'670411	Complete wigs of synthetic textile materials
'650691	Bathing caps, hoods and other headgear, whether or not lined or trimmed, of rubber or plastics (other than safety headgear and headgear having the character of toys or festive articles)
'970500	Collections and collector's pieces of zoological, botanical, mineralogical, anatomical, historical, archaeological, palaeontological, ethnographic or numismatic interest
'680300	Worked slate and articles of slate or of agglomerated slate (excluding slate granules, chippings and powder, mosaic cubes and the like, slate pencils, and ready-to-use slates or boards with writing or drawing surfaces)
'691310	Statuettes and other ornamental articles of porcelain or china, n.e.s.
'442010	Statuettes and other ornaments, of wood (excluding wood marquetry and inlaid wood)
'680210	Tiles, cubes and other processed articles of natural stone, incl. slate, for mosaics and the like, whether or not rectangular or square, the largest surface area of which is capable of being enclosed in a square of side of < 7 cm; artificially coloured granules, chippings and powder of natural stone, incl. slate

'570249	Carpets and other floor coverings, of vegetable textile materials or coarse animal hair, woven, not tufted or flocked, of pile construction, made up (excluding Kelem, Schumacks, Karamanie and similar hand-woven rugs, and floor coverings of coconut fibres "coir")
'580421	Mechanically made lace of man-made fibres in the piece, in strips or in motifs (excluding fabrics of heading 6002 to 6006)
'570292	Carpets and other floor coverings, of man-made textile materials, woven, not tufted or flocked, not of pile construction, made up (excluding Kelem, Schumacks, Karamanie and similar hand-woven rugs)
'581091	Embroidery of cotton on a textile fabric ground, in the piece, in strips or in motifs (excluding embroidery without visible ground)
'640510	Footwear with uppers of leather or composition leather (excluding with outer soles of rubber, plastics, leather or composition leather and uppers of leather, orthopaedic footwear and toy footwear)
'460290	Basketwork, wickerwork and other articles, made directly to shape from non-vegetable plaiting materials or made up from goods of non-vegetable plaiting materials of heading 4601 (excluding wallcoverings of heading 4814; twine, cord and rope; footware and headgear and parts thereof; vehicles and vehicle superstructures; goods of chapter 94, e.g. furniture, lighting fixtures)
'711711	Cuff links and studs, of base metal, whether or not clad with silver, gold or platinum
'650699	Headgear, whether or not lined or trimmed, n.e.s.
'491000	Calendars of any kinds, printed, incl. calendars blocks
'701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls, imitation precious or semi-precious stones, statuettes and other ornaments of lamp-worked glass (excluding imitation jewellery)
'621520	Ties, bow ties and cravats of man-made fibres (excluding knitted or crocheted)
'970200	Original engravings, prints and lithographs
'701310	Glassware of glass-ceramics, of a kind used for table, kitchen, toilet, office, indoor decoration or similar purposes (excluding goods of heading 7018, cooking hobs, leaded lights and the like, lighting fittings and parts thereof, atomizers for perfume and the like)
'570232	Carpets and other floor coverings, of man-made textile materials, woven, not tufted or flocked, of pile construction, not made up (excluding Kelem, Schumacks, Karamanie and similar hand-woven rugs)
'960622	Buttons of base metal, not covered with textile material (excluding press-fasteners, snap-fasteners, press studs and cuff links)
'570231	Carpets and other floor coverings, of wool or fine animal hair, woven, not tufted or flocked, of pile construction, not made up (excluding Kelem, Schumacks, Karamanie and similar hand-woven rugs)
'630419	Bedspreads of all types of textile materials (excluding knitted or crocheted, bedlinen, quilts and eiderdowns)
'580429	Mechanically made lace in the piece, in strips or in motifs (excluding that of man-made fibres and fabrics of heading 6002 to 6006)
'570310	Carpets and other floor coverings, of wool or fine animal hair, tufted "needle punched," whether or not made up
'570490	Carpets and other floor coverings, of felt, not tufted or flocked, whether or not made up (excluding floor tiles with an area of <= 0,3 m²)
'570220	Floor coverings of coconut fibres "coir," woven, whether or not made up
'711320	Articles of jewellery and parts thereof, of base metal clad with precious metal (excluding articles > 100 years old)
'621320	Handkerchiefs of cotton, of which no side exceeds 60 cm (excluding knitted or crocheted)
'621410	Shawls, scarves, mufflers, mantillas, veils and similar articles of silk or silk waste (excluding knitted or crocheted)
'570210	Kelem, Schumacks, Karamanie and similar hand-woven rugs, whether or not made up
'490810	Transfers "decalcomanias," vitrifiable
'581010	Embroidery on a textile fabric ground without visible ground, in the piece, in strips or in motifs
'460199	Plaiting materials, plaits and similar products of non-vegetable plaiting materials, flat-woven or bound together in parallel (excluding wallcoverings of heading 4814; parts of footware or headgear)
'630210	Bedlinen, knitted or crocheted
'630299	Toilet linen and kitchen linen of textile materials (excluding of cotton or man-made fibres, floorcloths, polishing cloths, dishcloths and dusters)
'570190	Carpets and other textile floor coverings, of textile materials, knotted, whether or not made up (excluding those of wool or fine animal hair)
'442110	Clothes hangers of wood
'490191	Dictionaries and encyclopaedias, and serial instalments thereof

'581100	Quilted textile products in the piece, composed of one or more layers of textile materials assembled with padding by stitching or otherwise (excluding embroidery of heading 5810 and quilted fabrics for bedding and furnishings)
'490400	Music, printed or in manuscript, whether or not bound or illustrated
'630253	Table linen of man-made fibres (excluding knitted or crocheted)
'480210	Handmade paper and paperboard of any size or shape
'630411	Knitted or crocheted bedspreads (excluding bedlinen, quilts and eiderdowns)
'670300	Human hair, dressed, thinned, bleached or otherwise worked; wool, other animal hair or other textile materials, prepared for use in making wigs or the like (excluding natural plaits of human hair, whether or not washed and degreased, but not otherwise processed)
'621420	Shawls, scarves, mufflers, mantillas, veils and similar articles of wool or fine animal hair (excluding knitted or crocheted)
'621440	Shawls, scarves, mufflers, mantillas, veils and similar articles of artificial fibres (excluding knitted or crocheted)
'581099	Embroidery of materials other than cotton or man-made fibres, on a textile fabric base, in the piece, in strips or in motifs (excluding embroidery without visible ground)
'960629	Buttons (excluding of plastics or base metal, not covered with textile material, press-fasteners, snap-fasteners, press studs and cuff links)
'630259	Table linen of textile materials (excluding of cotton or man-made fibres, knitted or crocheted)
'711620	Articles of precious or semi-precious stones "natural, synthetic or reconstructed," n.e.s.
'611790	Parts of garments or clothing accessories, knitted or crocheted, n.e.s.
'830610	Bells, gongs and the like, non-electric, of base metal (excluding musical instruments)
'621510	Ties, bow ties and cravats of silk or silk waste (excluding knitted or crocheted)
'570239	Carpets and other floor coverings, of vegetable textile materials or coarse animal hair, woven, not tufted or flocked, of pile construction, not made up (excluding Kelem, Schumacks, Karamanie and similar hand-woven rugs, and floor coverings of coconut fibres "coir")
'711411	Articles of goldsmiths' or silversmiths' wares or parts thereof, of silver, whether or not plated or clad with other precious metal (excluding jewellery, watch-and clockmakers' wares, musical instruments, weapons, perfume atomizers and heads for these, original sculptures or statuary, collectors' pieces and antiques)
'621590	Ties, bow ties and cravats of textile materials (excluding of silk, silk waste or man-made fibres, knitted or crocheted)
'640320	Footwear with outer soles of leather, and uppers which consist of leather straps across the instep and around the big toe
'420340	Clothing accessories of leather or composition leather (excluding gloves, mittens and mitts, belts, bandoliers, footware and headgear and parts thereof, and goods of chapter 95 [e.g. shin guards, fencing masks])
'821510	Sets of spoons, forks or other articles of heading 8215, which may also contain up to an equivalent number of knives, of base metal, containing at least one article plated with precious metal
'490599	Maps and hydrographic or similar charts of all kinds, incl. atlases, wall maps and topographical plans, printed (excluding those in book form, and maps, plans and globes, in relief)
'621790	Parts of garments or clothing accessories, of all types of textile materials, n.e.s. (excluding knitted or crocheted)
'490510	Globes, printed (excluding relief globes)
'732611	Grinding balls and similar articles for mills, of iron or steel, forged or stamped, but not further worked
'621390	Handkerchiefs of textile materials, of which no side exceeds 60 cm (excluding of cotton, and knitted or crocheted)
'830621	Statuettes and other ornaments, of base metal, plated with precious metal (excluding works of art, collectors' pieces and antiques)
'970400	Postage or revenue stamps, stamp-postmarks, first-day covers, postal stationery, stamped paper and the like, used, or if unused, not of current or new issue in which they have, or will have, a recognised face value
'711419	Articles of goldsmiths' or silversmiths' wares or parts thereof, of precious metal other than silver, whether or not plated or clad with precious metal (excluding jewellery, watch- and clockmakers' wares, musical instruments, weapons, perfume atomizers and heads for these, original sculptures or statuary, collectors' pieces and antiques)
'570241	Carpets and other floor coverings, of wool or fine animal hair, woven, not tufted or flocked, of pile construction, made up (excluding Kelem, Schumacks, Karamanie and similar hand-woven rugs)
'570291	Carpets and other floor coverings, of wool or fine animal hair, woven, not tufted or flocked, not of pile construction, made up (excluding Kelem, Schumacks, Karamanie and similar hand-woven rugs)

'490600	Plans and drawings for architectural, engineering, industrial, commercial, topographical or similar purposes, being originals drawn by hand; handwritten texts; photographic reproductions on sensitised paper and carbon copies of the foregoing
'691410	Ceramic articles of porcelain or china, n.e.s.
'701391	Glassware, of lead crystal, of a kind used for toilet, office, indoor decoration or similar purposes (excluding glassware of a kind used for table or kitchen purposes, glassware of glass-ceramics or lead crystal, articles of heading 7018, mirrors, leaded lights and the like, lighting fittings and parts thereof, atomizers for perfume and the like)
'711610	Articles of natural or cultured pearls, n.e.s.
'960190	Worked bone, tortoiseshell, horn, antlers, coral, mother-of-pearl and other animal carving material, and articles of these materials, n.e.s. (excluding ivory)
'580430	Handmade lace in the piece, in strips or in motifs (excluding fabrics of heading 6002 to 6006)
'590500	Textile wallcoverings
'430390	Articles of furskin (excluding articles of apparel, clothing accessories and goods of chapter 95, e.g. toys, games and sports equipment)
'680292	Calcareous stone, in any form (excluding marble, travertine and alabaster, tiles, cubes and similar articles of subheading 6802.10, imitation jewellery, clocks, lamps and lighting fittings and parts thereof, original sculptures and statuary, setts, curbstones and flagstones)
'711420	Articles of goldsmiths' or silversmiths' wares and parts thereof, of base metal clad with precious metal (excluding jewellery, watch-and clockmakers' wares, musical instruments, weapons, perfume atomizers and heads for these, original sculptures or statuary, collectors' pieces and antiques)
'580500	Hand-woven tapestries of the type Gobelin, Flanders, Aubusson, Beauvais and the like, and needle-worked tapestries, e.g. petit point, cross-stitch, whether or not made up (excluding Kelem, Schumacks, Karamanie and the like, and tapestries > 100 years old)
'490210	Newspapers, journals and periodicals, whether or not illustrated or containing advertising material, appearing at least four times a week
'821591	Spoons, forks, ladles, skimmers, cake-servers, fish-knives, butter-knives, sugar tongs and similar kitchen or tableware of base metal, plated with precious metal (excluding sets of articles such as lobster cutters and poultry shears)
'430310	Articles of apparel and clothing accessories of furskin (excluding gloves made of leather and furskin, footware and headgear and parts thereof)
'960110	Worked ivory and articles of ivory, n.e.s.
'490591	Maps and hydrographic or similar charts of all kinds, incl. atlases and topographical plans, printed and in book form (excluding globes, and maps and plans, in relief)
'630240	Table linen, knitted or crocheted
'630800	Sets consisting of woven fabric and yarn, whether or not with accessories, for making up into rugs, tapestries, embroidered tablecloths or serviettes, or similar textile articles, put up in packings for retail sale (excluding sets for making up into articles of clothing)
'570410	Floor tiles, of felt, not tufted or flocked, with an area of <= 0,3 m²
'370510	Photographic plates and film, exposed and developed, for offset reproduction (excluding products made of paper, paperboard or textiles and ready-to-use plates)
'370520	Microfilm, exposed and developed (excluding microfilm for offset reproduction)
'370590	Photographic plates and film, exposed and developed (excluding products made of paper, paperboard or textiles, cinematographic film and film for offset reproduction)
'370610	Cinematographic film, exposed and developed, whether or not incorporating soundtrack or consisting only of soundtrack, width >= 35 mm
'370690	Cinematographic film, exposed and developed, whether or not incorporating soundtrack or consisting only of soundtrack, width < 35 mm
'441900	Tableware and kitchenware, of wood (excluding interior fittings, ornaments, cooperage products, tableware and kitchenware components of wood, brushes, brooms and hand sieves)
'460110	Plaits and similar products of plaiting materials worked lengthwise, whether or not assembled into strips (excluding twine, cord and rope; parts of footware or headgear)
'460120	Mats, matting and screens of vegetable plaiting materials, flat-woven or bound together in parallel
'460191	Plaits and similar products of plaiting materials, whether or not assembled into strips; plaiting materials, plaits and similar products of vegetable plaiting materials, flat-woven or bound together in parallel (excluding mats, matting and screens; wall coverings of heading 4814; parts of footware or headgear)
'460210	Basketwork, wickerwork and other articles, made directly to shape from plaiting materials or made up from goods of heading 4601, and articles of loofah (excluding wall coverings of heading 4814; twine, cord and rope; footware and headgear and parts thereof; vehicles and vehicle superstructures; goods of chapter 94, e.g. furniture, lighting fixtures)
'481430	Wallpaper and similar wall coverings of paper, consisting of paper covered, on the face side, with plaiting material, whether or not bound together in parallel strands or woven

'481500	Floor coverings on a base of paper or paperboard, whether or not cut to size (excluding similar floor coverings with textile backings, and floor coverings without backings)
'570251	Carpets and other floor coverings, of wool or fine animal hair, woven, not tufted or flocked, not of pile construction, not made up (excluding Kelem, Schumacks, Karamanie and similar hand-woven rugs)
'570252	Carpets and other floor coverings, of man-made textile materials, woven, not tufted or flocked, not of pile construction, not made up (excluding Kelem, Schumacks, Karamanie and similar hand-woven rugs)
'570259	Carpets and other floor coverings, of vegetable textile materials or coarse animal hair, woven, not tufted or flocked, not of pile construction, not made up (excluding Kelem, Schumacks, Karamanie and similar hand-woven rugs, and floor coverings of coconut fibres "coir")
'611720	Ties, bow ties and cravats, knitted or crocheted
'621310	Handkerchiefs of silk or silk waste, of which no side exceeds 60 cm (excluding knitted or crocheted)
'630252	Table linen of flax (excluding knitted or crocheted)
'630292	Toilet linen and kitchen linen of flax (excluding floorcloths, polishing cloths, dishcloths and dusters)
'650300	Felt hats and other felt headgear, made from the hat bodies, hoods or plateaux of heading 6501, whether or not lined or trimmed (excluding made by assembling strips or pieces of felt, and toy and carnival headgear)
'650590	Hats and other headgear, knitted or crocheted, or made up from lace, felt or other textile fabric, in the piece (but not in strips), whether or not lined or trimmed (excluding hairnets, headgear for animals, and toy and fancy-dress headgear)
'650692	Headgear of furskin, whether or not lined or trimmed (excluding toy and carnival headgear)
'690710	Unglazed ceramic tiles, mosaic cubes and similar articles, whether or not square or rectangular, the largest surface area of which is capable of being enclosed in a square of side of < 7 cm, whether or not on a backing
'690790	Unglazed ceramic flags and paving, hearth or wall tiles; unglazed ceramic mosaic cubes and the like, whether or not on a backing (excluding of siliceous fossil meals or similar siliceous earths, refractory ceramic goods, tiles specially adapted as table mats, ornamental articles, tiles specifically manufactured for stoves, tiles and cubes and the like the largest surface area of which is capable of being enclosed in a square of side of < 7 cm)
'690810	Glazed ceramic tiles, mosaic cubes and similar articles, whether or not square or rectangular, the largest surface area of which is capable of being enclosed in a square of side of < 7 cm, whether or not on a backing
'690890	Glazed ceramic flags and paving, hearth or wall tiles; glazed ceramic mosaic cubes and the like, whether or not on a backing (excluding of siliceous fossil meals or similar siliceous earths, refractory ceramic goods, tiles specially adapted as table mats, ornamental articles, tiles specifically manufactured for stoves, tiles and cubes and the like the largest surface area of which is capable of being enclosed in a square of side of < 7 cm)
'701321	Drinking glasses of lead crystal
'701329	Drinking glasses (excluding glasses of glass-ceramics or of lead crystal)
'701331	Glassware of lead crystal, of a kind used for table or kitchen purposes (excluding articles of heading 7018, drinking glasses, glass preserving jars "sterilizing jars," vacuum flasks and other vacuum vessels)
'701332	Glassware for table or kitchen purposes of glass having a linear coefficient of expansion <= 5 x 10 -6 per kelvin within a temperature range of 0°C to 300°C (excluding glassware of glass-ceramics or lead crystal, articles of heading 7018, drinking glasses, glass preserving jars "sterilizing jars," vacuum flasks and other vacuum vessels)
'701339	Glassware for table or kitchen purposes (excluding glass having a linear coefficient of expansion <= 5 x 10 -6 per kelvin within a temperature range of 0°C to 300°C, glassware of glass-ceramics or lead crystal, articles of heading 7018, drinking glasses, glass preserving jars "sterilizing jars," vacuum flasks and other vacuum vessels)
'741819	Table, kitchen or other household articles, parts thereof, of copper (excluding pot scourers and scouring or polishing pads, gloves and the like, cans, boxes and similar containers of heading 7419, articles of the nature of a work implement, articles of cutlery, spoons, ladles, etc., ornamental articles and sanitary ware)
'852410	Gramophone records
'852432	Discs, recorded, for laser reading systems, for reproducing sound only
'852439	Discs, recorded, for laser reading systems, for reproducing sound and image or image only
'852451	Magnetic tapes for reproducing sound or image, recorded, of a width <= 4 mm
'852452	Magnetic tapes for reproducing sound or image, recorded, of a width > 4 mm but <= 6,5 mm
'852453	Magnetic tapes for reproducing sound or image, recorded, of a width > 6,5 mm
'852499	Recorded media for sound or image reproducing phenomena, incl. matrices and masters for the production of records (excluding gramophone records, discs for laser reading systems, magnetic tapes, cards incorporating a magnetic stripe and goods of chapter 37)

'930700	Swords, cutlasses, bayonets, lances and similar arms and parts thereof, and scabbards and sheaths therefor (excluding of precious metal or of metal clad with precious metal, blunt weapons for fencing, hunting knives and daggers, camping knives and other knives of heading 8211, sword belts and the like of leather or textile materials, and sword knots)
'940150	Seats of cane, osier, bamboo or similar materials
'940380	Furniture of cane, osier, bamboo or similar materials (excluding of metal, wood and plastics)
'950100	Wheeled toys designed to be ridden by children, e.g. tricycles, scooters, pedal cars (excluding normal bicycles with ball bearings); dolls' carriages
'950210	Dolls representing only human beings, whether or not clothed
'950291	Garments and accessories, footwear and headgear for dolls representing only human beings
'950299	Parts and accessories for dolls representing only human beings, n.e.s.
'950310	Electric trains, incl. tracks, signals and other accessories therefor
'950320	Scale model assembly kits, whether or not working models (excluding electric trains, incl. tracks, signals and other accessories therefor)
'950330	Construction sets and constructional toys (excluding scale model assembly kits)
'950341	Stuffed toys representing animals or non-human creatures
'950349	Toys representing animals or non-human creatures (excluding stuffed)
'950350	Toy musical instruments and apparatus
'950360	Puzzles
'950370	Toys, put up in sets or outfits (excluding electric trains, incl. accessories, scale model assembly kits, construction sets and constructional toys, and puzzles)
'950380	Toys and models, incorporating a motor (excluding electric trains, scale model assembly kits, and toys representing animals, human or non-human creatures)
'950390	Toys, n.e.s.
'950410	Video games for use with a television receiver
'961420	Smoking pipes and pipe bowls
Code: (BPM6 Revision)	Service label
S	All services
SOX1	--- Memo item: Other commercial services
3a.2	--- Freight transport, All modes (alternative breakdown)
3a.1	--- Passenger transport, All modes (alternative breakdown)
4.2	--- Travel, Personal
10.3	--- Technical, trade-related, and other business services
8	Charges for the use of intellectual property n.i.e.
9	Telecommunications, computer, and information services
4.1.2	--- --- Travel, Business, Other (other than acquisition of goods and services by border and short-term workers)
6	Insurance and pension services
12	Government goods and services n.i.e.
3a.31	--- --- Other transport, All modes (other than passenger and freight, postal and courier) (alternative breakdown)
7.1	--- Explicitly charged and other financial services
11.1	--- Audio-visual and related services
3.4	--- Postal and courier services
4.1.1	--- --- Travel, Business, Acquisition of goods and services by border, seasonal, short-term workers
11.2	--- Other personal, cultural, and recreational services (other than audio-visual and related)
5	Construction
2	Maintenance and repair services n.i.e.

Appendix 10. UNESCO Classification According to HS Codes

Cultural and Natural Heritage

Table 4: Antiques

HS Code	Description
'970600	Antiques of > 100 years old
'970500	Collections and collector's pieces of zoological, botanical, mineralogical, anatomical, historical, archaeological, palaeontological, ethnographic or numismatic interest

Performance and Celebration

Table 5: Recorded Media

HS Code	Description
'852351	Solid-state, non-volatile data storage devices for recording data from an external source [flash memory cards or flash electronic storage cards] (excluding goods of chapter 37)
'852321	Cards incorporating a magnetic stripe for the recording of sound or of other phenomena
'852380	Media for the recording of sound or of other phenomena, whether or not recorded, incl. matrices and masters for the production of discs (excluding magnetic, optical and semiconductor media, and products of chapter 37)
'852329	Magnetic media for the recording of sound or of other phenomena (excluding cards incorporating a magnetic stripe and goods of chapter 37)
'852359	Semiconductor media, unrecorded, for the recording of sound or of other phenomena (excluding solid-state non-volatile data storage devices, smart cards and goods of chapter 37)
'490400	Music, printed or in manuscript, whether or not bound or illustrated

Table 6: Musical Instruments

HS Code	Description
'920710	Keyboard instruments, the sound of which is produced, or must be amplified, electrically (excluding accordions)
'920790	Accordions and musical instruments without keyboards, the sound of which is produced, or must be amplified, electrically
'920600	Percussion musical instruments, e.g. drums, xylophones, cymbals, castanets, maracas
'920290	Guitars, harps and other string musical instruments (excluding with keyboard and those played with a bow)
'920190	Harpsichords and other keyboard stringed instruments (excluding pianos)
'920120	Grand pianos
'920590	Wind musical instruments (excluding brass-wind instruments)
'920510	Brass-wind instruments
'920890	Fairground organs, mechanical street organs, mechanical singing birds, musical saws and other musical instruments not falling within any other heading in chapter 92; decoy calls of all kinds; whistles, call horns and other mouth-blown sound signalling instruments
'830610	Bells, gongs and the like, non-electric, of base metal (excluding musical instruments)
'920210	Violins and other string instruments
'920110	Upright pianos
'920810	Musical boxes

Visual Arts and Crafts

Table 7: Paintings

HS Code	Description
'970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by hand (excluding technical drawings and the like of heading 4906, and hand-painted or hand-decorated manufactured articles)
'491191	Pictures, prints and photographs, n.e.s.
'970190	Collages and similar decorative plaques

Table 8: Craft

HS Code	Description
'600410	Knitted or crocheted fabrics, of a width of > 30 cm, containing >= 5% by weight elastomeric yarn (excluding containing rubber thread, pile fabrics, incl. "long pile," looped pile fabrics, labels, badges and similar articles, and knitted or crocheted fabrics, impregnated, coated, covered or laminated)
'600490	Knitted or crocheted fabrics, of a width of > 30 cm, containing >= 5% by weight elastomeric yarn and rubber thread or rubber thread only (excluding pile fabrics, incl. "long pile," looped pile fabrics, labels, badges and similar articles, and knitted or crocheted fabrics, impregnated, coated, covered or laminated)
'581092	Embroidery of man-made fibres on a textile fabric base, in the piece, in strips or in motifs (excluding embroidery without visible ground)
'580632	Narrow woven fabrics of man-made fibres, with a width of <= 30 cm, n.e.s.
'580900	Woven fabrics of metal thread and woven fabrics of metallised yarn of heading 5605, of a kind used in apparel, as furnishing fabrics or for similar purposes, n.e.s.
'580639	Narrow woven fabrics of textile materials other than cotton or man-made fibres, with a width of <= 30 cm, n.e.s.
'580620	Narrow woven fabrics of textile materials, containing >= 5% elastomeric yarn or rubber thread by weight, with a width of <= 30 cm (excluding woven pile fabrics, incl. terry towelling and similar terry fabrics, chenille fabrics, and labels, badges and similar articles)
'600330	Knitted or crocheted fabrics of synthetic fibres, of a width of <= 30 cm (excluding those containing by weight >= 5% of elastomeric yarn or rubber thread, and pile fabrics, incl. "long pile," looped pile fabrics, labels, badges and similar articles, knitted or crocheted fabrics, impregnated, coated, covered or laminated, and sterile surgical or dental adhesion barriers of subheading 3006.10.30)
'581091	Embroidery of cotton on a textile fabric ground, in the piece, in strips or in motifs (excluding embroidery without visible ground)
'600240	Knitted or crocheted fabrics, of a width of <= 30 cm, containing >= 5% by weight elastomeric yarn (excluding containing rubber thread, pile fabrics, incl. "long pile," looped pile fabrics, labels, badges and similar articles, and knitted or crocheted fabrics, impregnated, coated, covered or laminated)
'580610	Narrow woven pile fabrics, incl. terry towelling and similar terry fabrics, and chenille fabrics, with a width of <= 30 cm (excluding labels, badges and similar articles)
'581010	Embroidery on a textile fabric ground without visible ground, in the piece, in strips or in motifs
'600290	Knitted or crocheted fabrics, of a width of <= 30 cm, containing >= 5% by weight elastomeric yarn and rubber thread or rubber thread only (excluding pile fabrics, incl. "long pile," looped pile fabrics, labels, badges and similar articles, knitted or crocheted fabrics, impregnated, coated, covered or laminated, and sterile surgical or dental adhesion barriers of subheading 3006.10.30)
'581100	Quilted textile products in the piece, composed of one or more layers of textile materials assembled with padding by stitching or otherwise (excluding embroidery of heading 5810 and quilted fabrics for bedding and furnishings)
'581099	Embroidery of materials other than cotton or man-made fibres, on a textile fabric base, in the piece, in strips or in motifs (excluding embroidery without visible ground)
'600320	Knitted or crocheted fabrics of cotton, of a width of <= 30 cm (excluding those containing by weight >= 5% of elastomeric yarn or rubber thread, and pile fabrics, incl. "long pile," looped pile fabrics, labels, badges and similar articles, and knitted or crocheted fabrics, impregnated, coated, covered or laminated)
'580631	Narrow woven fabrics of cotton, with a width of <= 30 cm, n.e.s.
'600340	Knitted or crocheted fabrics of artificial fibres, of a width of <= 30 cm (excluding those containing by weight >= 5% of elastomeric yarn or rubber thread, and pile fabrics, incl. "long pile," looped pile fabrics, labels, badges and similar articles, knitted or crocheted fabrics, impregnated, coated, covered or laminated, and sterile surgical or dental adhesion barriers of subheading 3006.10.30)
'600390	Knitted or crocheted fabrics of a width of <= 30 cm (excluding of cotton, man-made fibres, wool or fine animal hair, those containing by weight >= 5% of elastomeric yarn or rubber thread, and pile fabrics, incl. "long pile," looped pile fabrics, labels, badges and similar articles, knitted or crocheted fabrics, impregnated, coated, covered or laminated, and sterile surgical or dental adhesion barriers of subheading 3006.10.30))
'580640	Narrow fabrics consisting of warp without weft assembled by means of an adhesive "bolducs," with a width of <= 30 cm
'580500	Hand-woven tapestries of the type Gobelin, Flanders, Aubusson, Beauvais and the like, and needle-worked tapestries, e.g. petit point, cross-stitch, whether or not made up (excluding Kelem, Schumacks, Karamanie and the like, and tapestries > 100 years old)
'600310	Knitted or crocheted fabrics of wool or fine animal hair, of a width of <= 30 cm (excluding those containing by weight >= 5% of elastomeric yarn or rubber thread, and pile fabrics, incl. "long pile," looped pile fabrics, labels, badges and similar articles, and knitted or crocheted fabrics, impregnated, coated, covered or laminated)

Table 9: Other Visual Art

HS Code	Description
'970300	Original sculptures and statuary, in any material

HS Code	Description
'830629	Statuettes and other ornaments, of base metal, not plated with precious metal (excluding works of art, collectors' pieces and antiques)
'691390	Statuettes and other ornamental ceramic articles, n.e.s. (excluding of porcelain or china)
'392640	Statuettes and other ornamental articles, of plastics
'442090	Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, and similar articles, of wood; wooden articles of furniture (excluding statuettes and other ornaments; furniture, lighting fixtures and parts thereof)
'691310	Statuettes and other ornamental articles of porcelain or china, n.e.s.
'442010	Statuettes and other ornaments, of wood (excluding wood marquetry and inlaid wood)
'701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls, imitation precious or semi-precious stones, statuettes and other ornaments of lamp-worked glass (excluding imitation jewellery)
'970200	Original engravings, prints and lithographs
'830621	Statuettes and other ornaments, of base metal, plated with precious metal (excluding works of art, collectors' pieces and antiques)
'960190	Worked bone, tortoiseshell, horn, antlers, coral, mother-of-pearl and other animal carving material, and articles of these materials, n.e.s. (excluding ivory)
'960110	Worked ivory and articles of ivory, n.e.s.

Table 10: Photography

HS Code	Description
'370510	Photographic plates and film, exposed and developed, for offset reproduction (excluding products made of paper, paperboard or textiles and ready-to-use plates)
'370590	Photographic plates and film, exposed and developed (excluding products made of paper, paperboard or textiles, cinematographic film and film for offset reproduction)

Books and Press

Table 11: Books

HS Code	Description
'490199	Printed books, brochures and similar printed matter (excluding those in single sheets; dictionaries, encyclopaedias, periodicals and publications which are essentially devoted to advertising)
'490110	Printed books, brochures and similar printed matter, in single sheets, whether or not folded (excluding periodicals and publications which are essentially devoted to advertising)
'490191	Dictionaries and encyclopaedias, and serial instalments thereof

Table 12:Newspapers

HS Code	Description
'490290	Newspapers, journals and periodicals, whether or not illustrated or containing advertising material (excluding those appearing at least four times a week)
'490210	Newspapers, journals and periodicals, whether or not illustrated or containing advertising material, appearing at least four times a week

Table 13: Other Printed Matter

HS Code	Description
'490300	Children's picture, drawing or colouring books
'490900	Printed or illustrated postcards; printed cards bearing personal greetings, messages or announcements, whether or not illustrated, with or without envelopes or trimmings
'491000	Calendars of any kinds, printed, incl. calendars blocks
'490599	Maps and hydrographic or similar charts of all kinds, incl. atlases, wall maps and topographical plans, printed (excluding those in book form, and maps, plans and globes, in relief)
'490510	Globes, printed (excluding relief globes)
'490591	Maps and hydrographic or similar charts of all kinds, incl. atlases and topographical plans, printed and in book form (excluding globes, and maps and plans, in relief)

Audio-Visual and Interactive Media

Table 14: Film and Video

HS Code	Description
'370610	Cinematographic film, exposed and developed, whether or not incorporating soundtrack or consisting only of soundtrack, width >= 35 mm
'370690	Cinematographic film, exposed and developed, whether or not incorporating soundtrack or consisting only of soundtrack, width < 35 mm
'950410	Video games for use with a television receiver

Design and Creative Services

Table 15: Architecture

HS Code	Description
'490600	Plans and drawings for architectural, engineering, industrial, commercial, topographical or similar purposes, being originals drawn by hand; handwritten texts; photographic reproductions on sensitised paper and carbon copies of the foregoing