CREATIVE INDUSTRIES DEVELOPMENT STRATEGY

A Report by the ERC Service Industries Subcommittee Workgroup on Creative Industries

– September 2002 –

The full report is available on the website http://www.erc.gov.sg/frm_ERC_CreativeInd.htm.

The Rise of the Creative Economy

Globalisation, technology and competition are changing the global environment rapidly. Singapore must now embark on a journey of reinvention to harness the multi-dimensional creativity of our people to develop a Creative Economy. This would require us to look at how we can fuse arts, business and technology to become Singapore's new competitive advantage.

The creative cluster is a key contributor to the Creative Economy and can be defined as "those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property"[1]. The creative industries can be categorised into three broad groups: Arts and Culture, Design and Media *(figure at right)*.

State of the Creative Cluster

The current value of the creative cluster in Singapore has been estimated to be between 2.8% to 3.2% of Gross Domestic Product (GDP). This is lower than US (7.8%), UK (5%) and Australia (3.3%),

Cross-Country Comparison of Value Added Contribution of Total Copyright Industries to GDP

indicating that there is much scope for growth in Singapore. In all the surveyed countries, the creative cluster is growing at a higher rate than that of the overall economy. Notably, the US and UK growth rates have accelerated to 3 - 5 times that of the overall economy in recent years.
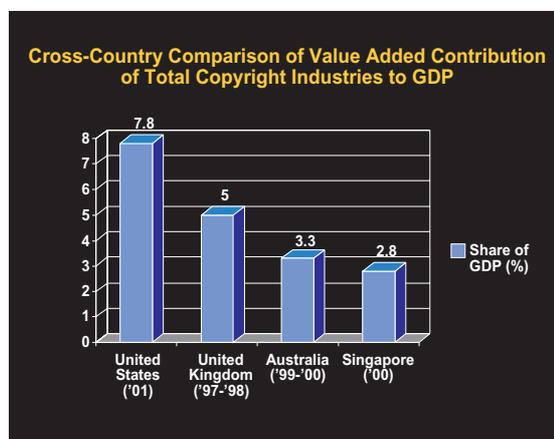
In Singapore, the creative cluster employs some 72,000 employees in 8,000 establishments. The value-added of the total copyright industries expanded significantly from $0.8 billion in 1986 to $4.8 billion in 2000, representing a compound annual growth rate (CAGR) of 13.4%, as compared to the overall economy's CAGR of 10.6% over the same period.

What are Our Opportunities and Strengths?

Opportunities
- Our proximity to Asia's huge market provides a ready consumer base and access to a vast wealth of creative resources
- We are well-placed to exploit niche areas such as New Asia or Fusion lifestyle and entertainment products and services
- The global media industry is growing rapidly, with a projected annual growth of 5.2% from US$1 trillion in 2001 to US$1.4 trillion in 2006
- Cultural tourism has a projected global growth rate of 15% per year

Strengths
- Strong supporting factors such as good infocomm infrastructure, reputation as a regional financial hub and stable governance, etc
- Being a multi-cultural society with a bilingual policy, we can target many language markets
- Our cosmopolitan and well-educated population can serve as a test-bed for innovative products and services
- The Government has already invested more than $1 billion in developing world-class arts and cultural infrastructure

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[1] UK Creative Industries Taskforce, Creative Industries Mapping Document, November 1998.

Vision

Our vision is to develop a **vibrant and sustainable creative cluster to propel the growth of Singapore's Creative Economy**. The creative cluster is not only an economic force in its own right, it is also an economy-wide enabler that drives innovation and differentiates our products and services. Targets for 2012 include:
• **Double % GDP contribution** of creative cluster from 3% (estimated) in 2000 to 6%; and
• Establish a reputation for Singapore as a **New Asia Creative Hub.**

Three Key Initiatives

To achieve our vision of a Creative Economy propelled by the creative industries, the Working Group has put forth three interlocking initiatives: (i) **Renaissance City 2.0**; (ii) **Design Singapore**; and (iii) **Media 21**. These initiatives were conceived in consultation with hundreds of local and international industry players, artists, academics, consultants, government agencies and community groups. International benchmarking and case studies were also developed based on literature research and study missions.

Renaissance City 2.0

"A highly innovative and multi-talented Global City for Arts and Culture"

The Renaissance City 2.0 initiative aims to build on the foundation of the original Renaissance City Blueprint. It will focus on developing software to maximise the potential of our arts infrastructure. It also proposes that MITA agencies and Singapore Tourism Board work together to unlock the economic value of the arts. Some key recommendations are reflected below:

(i) Government as Catalyst
The Government can play a catalytic role to stimulate sophisticated demand. For example, it could support the "Percent-for-the-Arts" scheme to promote public art as well as support the use of effective design in its public amenities, services and spaces.

(ii) Work with CDCs to Develop "Creative Towns" [2]
A 'Creative Town' initiative can be piloted to integrate arts, business and technology into community planning and revitalisation efforts. This prototype can be fine-tuned and eventually adopted by townships islandwide to evolve a Creative and Connected Singapore. Features of a Creative Town could include the "Percent-for-the-Arts" Scheme, fusion spaces, creative thinking and entrepreneurship training courses, cultural events and festivals, etc.

(iii) Develop a New Museum of Modern and Contemporary Art
In the longer term, Singapore can develop a Museum of Modern and Contemporary Art (MoMCA) that focuses on showcasing international modern and contemporary modern artworks and design. MoMCA has the potential to replicate the success of Tate Modern in generating economic spinoffs and tourism dollars.

(iv) Promote Arts and Cultural Entrepreneurship
It is recommended that the National Arts Council (NAC), National Heritage Board (NHB) and National Library Board (NLB) identify opportunities to realise the economic value of our arts and cultural resources. For instance, arts and cultural entrepreneurship could be promoted in the areas of information services, arts, heritage and library consultancy services, cultural tourism, arts and design industries, merchandising, etc.

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[2] The Mayors' Committee Meeting endorsed the Creative Town proposal on 19 August 2002. A multi-agency taskforce involving private, public and people sectors is being set up to prototype the Creative Town concept at a selected township.

Design Singapore

"A Global Cultural and Business Hub for the design of products, content and services, where design consciousness and creativity permeates all aspects of work, home and recreation"

Design has emerged as a key driver of enterprise and national competitiveness. To enable Singapore to create new value through design, a multi-agency taskforce (members listed below) has been set up. The taskforce will complete its study in October 2002 in close consultation with international experts and industry players. Some preliminary proposals include:

(i) Integrate Design in Enterprise
To help businesses integrate design as a strategic business tool to drive innovation and growth, programmes for shared resources and facilities can be developed, such as business case studies, global benchmarking, and prototyping facilities. Existing assistance schemes for companies could also be reviewed to include the use of design by businesses, particularly SMEs.

(ii) Establish a National Design Agency
There is a need for a national organisation to champion the design cluster and synergise the activities and concerns of the various players. It is recommended that a National Agency for design be set up with representation at the highest level for industry, education institutions and the public sector.

(iii) Nurture a Vibrant Design Community.
To raise the profile of the design profession, attract young talents to the industry and build up Singapore's design capabilities and standards, it would be critical to raise the professional standing and recognition of designers, as well as standards of design in Singapore. Specific proposals include the development of quality and performance standards and codes of practice; professional development programmes for designs; a national design award; and the anchoring of a major international design award in Singapore

Media 21

"A Global Media City with a thriving media ecosystem rooted in Singapore with strong international extensions"

Media 21 aspires to increase the GDP contribution of the media industry from 1.6% in 2000 to 3.5% in 2012. The soon-to-be-formed Media Development Authority (MDA) will work closely with other agencies such as Economic Development Board (EDB), Infocomm Development Authority of Singapore (IDA), International Enterprise Singapore (IE Singapore) and JTC Corporation, etc, to grow the media industry. Strategies include:

(i) Develop Mediapolis @ one-north
To strengthen and heighten the visibility of Singapore's efforts in developing our media industry, it is recommended that a Mediapolis be developed at one-north. This Mediapolis will cluster high value-adding media production and R&D activities in a conducive "work, live, play and learn" environment that supports experimentation and multidisciplinary cross-pollination.

(ii) Position Singapore as a Media Exchange
The development of Singapore into a financing and trading exchange hub for media will enable us to gain a strategic foothold into the creation, acquisition and exploitation of media copyrights. There would be economic spinoffs benefiting our local media industry and other sectors of the economy such as hospitality, finance and law. Specific proposals include:
- Introduce tax incentives for investments in media copyrights;
- Co-establish a Media Loan Fund with private companies;
- Attract media venture capitalists and finance companies;
- Establish a registry of media copyrights; and
- Grow media markets@Singapore

(iii) Export Made-by-Singapore content
Singapore's content development efforts have traditionally been constrained by a small domestic market. It is recommended that content be developed for export through collaborations with foreign talent and partners. This can leverage on a Content Development Fund and be supported by initiatives to increase bilateral co-production agreements and enhance export promotion. Niche genres can be identified to capitalise on our strengths in multi-lingual content, education, business, finance and IT.

Broad-Based Recommendations

The creative individual forms the lifeblood of the creative cluster. To develop the creative workers and the savvy audiences and consumers of the future, the Working Group strongly supports the recommendations by the ERC Enhancing Human Capital Working Group on Arts, Culture, Sports and Recreation to nurture creative capabilities at all levels of the education and training process. Some specific recommendations by the Creative Industries Working Group are highlighted below:

(i) Embed Arts, Design and Media within All Levels of Education
To enhance the creative capacity of our people, arts, design and media can be embedded as creative learning tools for all levels of education. For example, drama and literature could be employed to help students enhance their language abilities while multi-media tools can help students approach science and maths projects in an innovative manner.

(ii) Establish a Flagship Art, Design and Media University Programme[3]
To build up Singapore's stock of creative experts, it is further recommended that a flagship art, design and media university programme be developed at the proposed NUS-X campus, in collaboration with leading institutions overseas. This new School of Art, Design and Media could differentiate itself by offering a broad-based and research-oriented curriculum.

(iii) Establish a MediaLab in Singapore
To nurture multidisciplinary researchers of the highest calibre, it is recommended that Singapore establish a MediaLab with global partners such as MIT MediaLab to conduct research on innovative applications, services and devices.
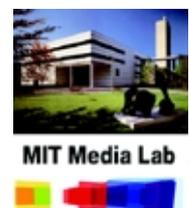
A National Collaborative Approach

To develop Singapore's creative cluster, a national concerted approach must be adopted to involve all players with vested interests in the private, public and people sectors. MITA could be tasked to spearhead the co-ordination and development of the creative cluster, whilst garnering support from other stakeholders in a Singapore Inc. manner.

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[3] This proposal could complement the 1998 Report of the Committee to Upgrade LASALLE-SIA and NAFA, which recommended that the two schools be allowed to award NUS degrees in the visual arts at the end of 5 years if they meet the necessary standards as agreed by the Arts Education Council.