

Monday, 15 November 2004

ASIAN CULTURAL MINISTERS MEETING

Two International Finance Centre

Bringing cultural ministers and persons-in-charge in Asia under the same roof to explore creativity and the scope for co-operation in culture, the Asia Cultural Co-operation Forum has become a signature cultural event in Hong Kong.

~Oriental Daily, 23 November

Most important of all, the majority of speakers have been candid enough to voice their own observations and findings of their researches which, diverse as they are, are clear evidence that they are not being courteously optimistic or stereotyped.

~Ming Pao, 19 November

Itinerary

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Moderator: Ms Lolly CHIU

Deputy Secretary for Home Affairs (Culture & Sport),
Hong Kong Special Administrative Region of the People's Republic of China

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- | | |
|-------|---|
| 9.30 | Opening Remarks
Dr Patrick HO
Secretary for Home Affairs, Hong Kong Special Administrative Region, PRC |
| 9.35 | Presentation on the Development of Creative Industries

<ul style="list-style-type: none">• Mr SUN Jia Zheng
Minister of Culture, The People's Republic of China• Mr Itsunori ONODERA
Parliamentary Secretary for Foreign Affairs, Japan• Mr BAE Jhong Shin
Vice Minister of Culture and Tourism, Korea• His Excellency Dato' WONG Kam Hoong
Deputy Minister of Culture, Arts and Heritage, Malaysia• Mr Nestor O. JARDIN
President, Cultural Centre of The Philippines, The Philippines |
| 11.15 | Presentation on the Development of Creative Industries (continued)

<ul style="list-style-type: none">• Dr LEE Boon Yang
Minister for Information, Communications and the Arts, Singapore• Mr Vira ROJPOJCHANARAT
Deputy Permanent Secretary, Ministry of Culture, Thailand• His Excellency Dr DINH Quang Ngu
Vice Minister for Culture and Information, Viet Nam• Dr Patrick HO
Secretary for Home Affairs, Hong Kong Special Administrative Region, PRC |
| 12.30 | Discussion

Topic: Towards a Creative Asia

<ul style="list-style-type: none">• Prospects and Challenges of Creative Economy in Asia• Regional Co-operation (Production, Branding, Marketing, etc.)• Towards a Creativity Index for Asia |

MS LOLLY CHIU:

Good morning, honourable ministers, ladies and gentlemen. Let me start with introducing the heads of delegations of the nine major Asian economies participating in the Asia Cultural Co-operation Forum 2004. Mr Sun Jiazheng, Minister of Culture, People's Republic of China. Mr Itsunori Onodera, Parliamentary Secretary for Foreign Affairs, Japan. Mr Bae Jhong Shin, Vice Minister of Culture and Tourism, Korea. His Excellency Dato' Wong Kam Hoong, Deputy Minister of Culture, Arts and Heritage, Malaysia. Mr Nestor O. Jardin, President, Cultural Centre of The Philippines. Dr Lee Boon Yang, Minister for Information, Communications and the Arts, Singapore. Mr Vira Rojpojchanarat, Deputy Permanent Secretary, Ministry of Culture, Thailand. His Excellency Dr Dinh Quang Ngu, Vice Minister for Culture and Information, Viet Nam. Dr Patrick Ho, Secretary for Home Affairs, Hong Kong Special Administrative Region, the People's Republic of China.

We are also very pleased to have amongst us the cultural heads from 22 provinces and cities of the People's Republic of China. They are from Beijing, Tianjin, Hebei, Inner Mongolia, Heilongjiang, Shanghai, Jiangsu, Zhejiang, Anhui, Shanxi, Anhui, Jiangxi, Henan, Hubai, Hunan, Guangdong, Guangxi, Chongqing, Sichuan, Guizhou, Gansu, Shenzhen and Macao.

May I now invite **Dr Patrick Ho, Secretary for Home Affairs, Hong Kong**, to deliver the opening address. Dr Ho, please.

DR PATRICK HO:

Welcome to Hong Kong and the Asia Cultural Co-operation Forum 2004. I am very honoured this morning to be the host of cultured guests from our neighbouring areas. Last year, in the first Asia Cultural Co-operation Forum, we met and began to know each other. This year, the theme of our second forum is 'Creative Asia', and this year we are pleased that the Minister of Culture of the People's Republic of China, who is also leading a delegation of directors general of cultural bureaus of 22 provinces and cities in China, is also joining us.



The knowledge economy marks the end of the last century and stretches its influence into the new century. The rising trend of creative industries merges culture and economy. Investors, talented people, business travellers and holiday makers judge a place by its cultural image. Culture is increasingly seen as the engine for city branding, place marketing, urban

regeneration and community building. Cultural policymaking and cultural exchange is now drawn more and more to the core of our public agenda. It is time for us to come together this morning, share our ideas and forge our common understanding. Beyond that and above all, may you all have a joyful stay in the autumn days of Hong Kong. Thank you very much. 🌈

MS LOLLY CHIU: Our first speaker is **Mr Sun Jiazheng, Minister of Culture, the People's Republic of China.** Mr Sun, please.

MR SUN JIA ZHENG:

China

Distinguished ministers, ladies and gentlemen, good morning. It is my great pleasure to attend the second Asia Cultural Co-operation Forum. I am most delighted to explore with our colleagues the topic of cultural exchange and co-operation among Asian countries and the development of our cultural industries.

As you are aware, the wave of economic globalisation has brought forth an unprecedented intensification of international cultural exchange and co-operation at a scale and speed never seen before. Regional cultural economy and trade is increasingly seen as a very important element of the overall international economy and trade regime. And this is an undisputed fact. As there are sweeping changes in cultural economy and trade, how can we then enhance co-operation and exchanges in the Asian regions? This is an issue for all of us. The city of Hong Kong has a rich and diversified culture. The cultural and creative industry is also flying through constant innovation, interaction and assimilation, making Hong Kong one of the major cultural centres of Asia.

The Asia Cultural Co-operation Forum is an invaluable platform for us to exchange views and ideas. So I would like to express my appreciation to the Hong Kong Special Administrative Region Government for initiating this forum. I would also like to extend my sincere gratitude to the organisers for their efforts.

Asia is the largest continent of the world. It covers nearly 30 percent of the world's land mass. It shelters about 60 percent of the world's population and accounts for one-quarter of the world's economic volume. Asia should and can make outstanding contributions to the peace and prosperity of the world. Asia has a time-honoured history. The Yellow River and the Yangtze River regions, the Indus River and the Ganges River regions and the Euphrates and Tigris River regions are all well-known cradles of human civilisations. Over a long history, the Asians have made glorious imprints on human civilisation. In a new century, Asian cultures should and can make greater contributions to the development of world cultures. In recent centuries, Asian countries have experienced many vicissitudes and tribulations and people of different countries have tried relentlessly for their liberation and development. This has resulted in great achievements in both economic and cultural arenas. Nevertheless, there is still a long way to go before the real rise and rejuvenation of Asian cultures. This mission calls for all Asian peoples to grasp this opportunity, enhance co-operation and scale new heights. This is where the substantial interest of all Asians rests.

POTENTIALS AND CHALLENGES OF ASIAN CULTURES

In the new century, there are many new opportunities for the Asian cultures, as peace and development are still the main motives of today's world. The overall peaceful international environment is providing a favourable external condition for the development of Asian cultures. As dialogue among civilisations and cultures becomes the mainstream of cultural relations, the universal need for cultural diversity is creating a wide market demand for the rich and varied Asian cultures. In the meantime, with the rapid growth of Asian economies, there is a growing attention and increasing input to culture, which will enable more cultural and

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artistic expressions to be protected and more quality cultural products developed. Cultural industry with low pollution, low consumption of energy and high added value is receiving greater attention from the Governments. From this perspective, the rich and historical resources of culture in Asia can serve as an inexhaustible source for cultural production and has immense potential.

From another perspective, however, there are also many new challenges facing Asian cultures. The world is still in a complicated situation with many elements affecting peace and development, as conventional and unconventional security factors intermingle with each other. The old international cultural order that is unjust and inequitable has not yet been changed substantially. At the same time, international competition is getting more and more intense in cultural economies and trade, with the progress of science, technology and information networks. Asian countries are confronted with pending challenges in many aspects, including the structure of cultural economy, financial systems, policy schemes and international competitiveness.

In face of these new opportunities and challenges, in order to achieve great development of Asian cultures, we need to make strategic commitments suitable to the status quo of Asia and in line with the order of the day. We must adhere to the dialogue of civilisations and cultural diversity. This is an important prerequisite of the Asian cultural development. We should strongly promote the dialogue of civilisations and cultural diversity. We should pursue dialogue instead of confrontation, interaction instead of isolation, tolerance instead of repulsion. We should advocate mutual respect, equality, cross-fertilisation and harmonious co-existence, and promote the concept of harmony and unity in diversity, so as to establish a just and equitable new cultural order and provide a long-term stable external environment for Asian cultures. We must forge the overall development and prosperity of Asian nations. This is a significant basis for the rejuvenation of Asian cultures. Asian nations varying in economic levels and cultural traditions are very different from each other and should choose their own route and model of development according to their environments and cultivate their distinctive cultures. At the same time, different nations should open their cultural markets to each other while making the most of their own advantages. We need to draw upon each other's advantages to make up for our respective weaknesses and seek common development by co-operation. The developed nations should provide more support to the developing countries in terms of capital and technology and to help them develop their own cultural economies and enhance their abilities to take part and compete in the international co-operation and competition in the area.

Also, we must strengthen co-operation and exchange, forge closer ties between cultural economies and trade. This is an effective means to achieve development for Asian cultures. It should deepen regional and sub-regional co-operation in such areas as human resources, manufacturing, capital markets, and do so under the principle of multiple forms, reciprocity and mutual benefit as well as by a step-by-step approach. In recent years, co-operation between different Asian countries in the film-making and music industries have achieved good results, some with notable successes. We should make reference to these excellent experiences and explore new co-operative models so as to expand our scope of co-operation constantly.

We must insist on being open and seek co-operation globally. This is a must for Asian cultures.

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Asian cultures cannot revitalise themselves and seek prosperity in isolation from other parts of the world, and the progress and prosperity of world cultures cannot be possible without Asian contributions. Our world has diversified cultures, and Asian cultures should be open and absorptive like an ocean that takes in all rivers. We should rapidly assimilate the influence of all civilisations and learn from the advanced experiences of other countries. In the era of growing economic globalisation, it is all the more imperative that we in Asia redouble our efforts in opening up ourselves and strengthen our contacts and co-operation with our cultures of the world, so as to achieve greater development and progress.

CHINA: CULTURAL DEVELOPMENT IN PROGRESS

Ladies and gentlemen, China is an important member of the Asian family. China has enjoyed continuous and rapid growth of economy, increase of overall national strength and greatness of our people's living standards. The Chinese Government attaches high importance to cultural development and has made great endeavours in this respect.

First, to boost public cultural undertakings and enrich the cultural life of the general public. The government insists on taking a people-oriented approach by increasing its input in public cultural infrastructure and funding for public cultural undertakings. In this respect, we have increased our funding for public cultural undertakings and we have entered the best era for investment in cultural infrastructure. We also enhance our efforts in fostering and regulating the cultural market and also management of the cultural industry.


Secondly, we have already set up a more regulated cultural market, and we have also issued a guideline for the development of the cultural market from 2003 to 2010, a legislative framework regarding the cultural market, a second five-year plan for cultural development, and honoured our promise in our ascension to the World Trade Organisation (WTO). We have also put in place proposals for further development in our cultural industries.

Thirdly, we have also promoted external cultural exchange. China has now signed government agreements of cultural co-operation with about 145 countries. Our external cultural exchange is conducted in an increasingly diversified form and through expanded channels. We have also made a lot of progress in regional co-operation. We have joined the Association of Southeast Asian Nations (ASEAN) conference on cultural civilisations and the ministers meeting of international network on cultural policies, and also the major events in Shanghai. We have participated in all these events, including the Shanghai International Arts Festival and the Beijing Arts Festival which are now gaining a reputation. We are working all-sidedly to implement the laws and regulations on the protection of cultural heritage and also to fortify the work of arts organisations so they can have more exchange and communication.

Finally, we have also strengthened the protection of cultural heritage. We have introduced a law on the protection of cultural heritage, and the number of key heritage sites under state protection in China has now reached 1,271 and 30 sites have been inscribed on the United Nations Educational Scientific and Cultural Organisation (UNESCO) Heritage Listing, making us rank third in the world in this regard. Major projects of protection have been carried out in the Palace Museum of Beijing, the Yungang Grottoes of Shanxi and the Potala Palace of Tibet. Both the public cultural undertakings and profit-making cultural industries, have both injected

strong vitality to the cultural economy of China and provided good opportunities for the overall Asian cultural economy. The Chinese Government welcomes the cultural entrepreneurs of Asia to engage in the development of China's cultural undertakings and industries both in the public and the profit-making sectors.

Ladies and gentlemen, it is a consistent policy of the Chinese Government to facilitate the development and rejuvenation of Asian cultures, and our commitment in Asian cultures can be described as learning modestly, co-operating earnestly, innovating energetically and seeking common success. Asian peoples are diligent, intelligent, striving and resilient, and they are very creative. This is the reason why Asia has been able to make past grandeurs and will be able to make future glories.

Colleagues, I hereby earnestly urge that we should join hands and put our efforts in building a great, stable, economically affluent and culturally prosperous Asia, and Asia should be creative. Thank you. 

MS LOLLY CHIU: May I invite Mr Onodera, Parliamentary Secretary for Foreign Affairs of Japan?

MR ITSUNORI ONODERA:

Japan

Honourable Chairperson, ladies and gentlemen, it was in September that I was appointed Parliamentary Secretary for Foreign Affairs and I am privileged that my first overseas visit is to attend this Asia Cultural Co-operation Forum. I would like to express my deepest respect and appreciation to the Government of Hong Kong SAR for their thorough preparations and untiring efforts towards the successful opening of this forum.

“ I hear that Ms Zhang Ziyi is to take the lead in *Memoirs of a Geisha*, and I strongly feel that a famous Chinese actress playing the lead in a film about a geisha is indicative of the enormous potential for exchange of popular culture in Asia in the future. ”

In this age of globalisation, culture is increasingly being shared, transcending national boundaries. You may have heard that in Japan, the Joshi Juni Gakubo, which is a group of musicians performing on traditional Chinese instruments, has attracted the attention of the Japanese and enjoyed a good deal of success. In addition, the Korean drama *Winter Sonata* has aroused a 'Korea boom' in Japan, and the number of Japanese visiting Korea or learning the Korean language has recently increased dramatically. At the Tokyo International Film Festival, held at the end of October, a new category was established, entitled 'Winds of Asia', in which more than 30 films from Asian countries were screened, providing a multi-faceted introduction to the latest trends in Asian cinema. Japanese culture, and in particular popular culture remains vibrant and with growing popularity in Europe and America, as well as Asia. The phenomenon of 'cool Japan' is being observed. Examples of this phenomenon include the Academy Award for an animated film *Sen to Chihiro no Kamikakushi*, or *Spirited Away* in English, as well as the overseas affection for Pokemon and Hello Kitty. Popular Japanese singers and groups such as SMAP, as well as authors such as Haruki Murakami have a wide fan base overseas.

In addition, there are many Japanese films such as *Shall We Dance?* and *Ring* that are being re-made overseas, in addition to a large number of Japan-themed movies, including *Last Samurai* and *Memoirs of a Geisha*. I hear that Ms Zhang Ziyi is to take the lead in *Memoirs of a Geisha*, and I strongly feel that a famous Chinese actress playing the lead in a film about a geisha is indicative of the enormous potential for exchange of popular culture in Asia in the future. This kind of Japanese pop culture is something by which the values that have been nurtured by Japan over the centuries, through exchanges with Asia and beyond and have

become increasingly universal, are, through full use of modern technology, being evinced in a new manner.

ASIA: CLOSELY CONNECTED FOR THE RICHNESS OF CULTURAL EXCHANGES

Given this wealth of cultural exchange between Japan and other Asian countries, I would like to emphasise two points. Firstly, culture nurtures the wealth of spirit. But given that it also encourages creative industry and supports economic vitality, it is an area that is the key for the future prosperity of Asia and also in terms of making a contribution to the world.

Secondly, in addition to cultural exchange among Asian countries cultivating a mutual awareness of the diversity that exists in the region and engendering respect at the national level, it also, by encouraging feelings of oneness among different peoples, leads to an important basis for the promotion of regional co-operation in the future of Asia in a variety of areas.

I would now like to elaborate a little on the first point, namely the promotion of cultural exchange to enhance spiritual wealth and to develop creative industry as the source of future economic vitality. Even in the 21st century, the world today is engaged in a variety of conflicts, and new threats such as terrorism are increasing. This is compounded by intensified economic and trade competition in a globalised world. Under such circumstances it is only too easy for policy-makers and citizens alike to turn their attention almost exclusively to security and economic considerations. True human happiness, however, is to be found in spiritual wealth. Security and material wealth are only means of achieving the goals of human life more easily.

However, it is all too easy to forget the importance of culture that nurtures spiritual wealth, thereby rendering these means an end in themselves. This is one reason why globalisation currently poses a threat to the national identity of many nations. In addition, Asia is going to experience economic maturity; societies in countries such as Japan are aging; the so-called creative industries of services, and above all, cultural-related industries, are key to the maintenance of economic vitality.

People will certainly come to place more importance not on material things, but in the messages implicit in them, in other words, in the added value of cultures. In this way, cultural industry will bring forth both supply and demand for cultural activities.

I believe that the more material wealth people achieve, the more spiritual contentment they seek, and also that people, including the elderly, who are no longer involved in the process of manufacturing, will be able to focus their energies on a second phase of life in creative cultural and artistic activities. In this way, creative industries will be the key for human-kind, and above all, Asia, with its wealth of cultural traditions, to maintain economic and social vitality. Moreover, we must not forget that such industries are also environmentally friendly. The Government of Japan will be channelling its efforts in invigorating this area, from a variety of different aspects.

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“ *Governments should avoid imposing unnecessary barriers to the flowering of culture. The most effective means of achieving cultural exchange is to promote person-to-person exchanges.* ”

THE FEELING OF ONENESS

With regard to my second point, I would like to emphasise that deepening mutual exchange among the countries of Asia, recognising and respecting mutual differences while considering their common stance to nurture the feelings of oneness among the people of Asia, will be the key to the development of regional co-operation in Asia in the future.

Last year, cultural exchange between Japan and ASEAN was promoted as part of the ASEAN-Japan Exchange Year 2003, with the aim of constructing a frank partnership acting and advancing together between Japan and ASEAN.

During 2003, a variety of exchange activities took place, organised chiefly by citizens of different countries and private cultural organisations. I am sure that the result was a deepening of friendship among the people of Japan and the ASEAN countries. In particular, the J-ASEAN Pops Concert which was held in Kuala Lumpur, Jakarta, Bangkok and Yokohama was a concert that enjoyed the participation of famous pop stars and artists from Japan and ASEAN countries. According to one of the group leaders from Japan who performed in the concerts, the concerts engendered a common feeling of being Asian, and also enhanced their pride as a Japanese.


The process of promoting mutual exchange, discovering values that are common to Asia, and gaining a better understanding of their own culture in Asian contexts, would contribute to an increased understanding among Asian people of the cultures of different countries in Asia, and further promote the appeal of Asian culture and the culture of each country. In so doing, Asian values, which embrace peace and harmony, would, if transmitted more dynamically to the world, be able to make a significant contribution in the future of human civilisation in the 21st century.

As I have mentioned, Japan, by transmitting Japanese culture to the world and actively absorbing the cultures of Asian countries, is seeking to promote cultural exchange programmes that would nurture feelings of oneness in Asia and disseminate Asian values to the wider world. It is individuals who create culture and arts. It is individuals who convey, absorb and further develop them.

The role of government in this process is not to intervene in the content of culture, but to formulate policies and encourage individual talent to flower, nurture talent as an industry, and promote its exchange with other countries. It goes without saying that governments should avoid imposing unnecessary barriers to the flowering of culture. The most effective means of achieving cultural exchange is to promote person-to-person exchanges. From the fiscal year 2003, Japan has been developing the 'Visit Japan Campaign — Yokoso Japan!'.

In 2003, the numbers of foreigners visiting Japan rose to 5.21 million. This year, that number is expected to further rise to six million. Next year, with the opening of EXPO 2005 AICHI, and Central Japan International Airport, more overseas visitors are expected to come to Japan, and I hope that they will experience directly the Japanese culture.

At this forum, where the countries of Asia are assembled under one roof, I sincerely hope that vigorous discussion on cultural activities and measures will take place that will bring forth a wealth of new ideas and innovation.

Thank you for your attention. 

MS LOLLY CHIU: Thank you, Mr Onodera. May I invite **Mr Bae Jong Shin, the Vice Minister of Culture and Tourism, Korea?**

MR BAE JHONG SHIN: Mr Sun Jiazheng, Minister of Culture in China, Ministers of Asian countries attending this forum, it is a great pleasure for me to give a speech at this forum.

Korea

I would like to briefly talk about ways to jointly co-operate in the Asian region based on the experience of the culture and tourism industry of Korea.

Korea has a recognised cultural industry, one of the major industries driving new growth in the 21st century. Included in the top ten industries viewed as driving engines that are related to the cultural industries are digital TV broadcasting and digital content.

“ Although cultural industry has great importance economically, because of the cultural identity that creative contents carry, cultural industry has cultural implications that go beyond economic terms. ”

The interest in and emphasis of the cultural industry in Korea is not only rooted in its economic significance. Although cultural industry has great importance economically, because of the cultural identity that creative contents carry, cultural industry has cultural implications that go beyond economic terms.

To seek ways for co-operation in the Asian region through cultural industry, I would like to introduce the developments in the Korean cultural industry and give you my thoughts on a few ways to join the co-operation in the development of the Asian cultural industry.

The Korean cultural industry grows on an annual average of 21 percent from 1999 to 2002, which is three to four times faster than the growth rate of the global cultural industry which was 5.2 percent. With the rapid convergence of the media through IT technology, the increase of leisure time (thanks to recent implementation of the five-day working week) and the rise in cultural spending, demand in multi-media content is explosively increasing.

The Korean film industry is a good example. In 2001, 2002 and 2003, based on the number of viewers, the market share of Korean movies took 50.1 percent, 48.3 percent and 53.5 percent respectively. The market share of around 10 to 20 percent in the 1990s increased to approximately 40 percent to 50 percent in 2001. This is something unprecedented in the global film industry.

I would like to go on to briefly explain the role of the government. The Korean Government newly opened the Cultural Industry Bureau within the Ministry of Culture and Tourism in 1994, and legislated the Framework Act on Cultural Industry Promotion in 1999, establishing a framework basis that shifted the regulation-centred policy paradigm of cultural industry to promotion-oriented.

GOVERNMENT'S SUPPORTIVE ROLE

In addition, the government has provided assistance to enable private sectors to fully exert capacity by formulating a long-term development plan according to different sectors, including film, games, broadcasting video and characters.

Secondly, the government indirectly provided support for consumption of cultural products. Due to the influence of the traditional Confucian culture, Koreans widely have a negative perception towards commercialisation of popular culture. In response to such a challenge, the perception of people towards cultural industry has been enhanced by increasing the opportunity to access cultural industry at public cultural facilities, including the cultural and media centres. This in turn has stimulated the consumption of cultural products and consequently expanded Korea's cultural industry.

Thirdly, Korea has been emphasising the linkages between cultural arts and cultural industry, and the various policies are in place to support this. To name just a few, there is the project to transform the original form of traditional Korean cultural into digital contents. What the project strives to do is to restore the original form of clothing, weapon, music and food that appear in fables, legends and old books through digital technology so that they can be utilised in content development.

Lastly, Korea is fostering and supporting the creation of cultural industry where we have certain regions specialising in certain genres to attain a balanced national development and to promote regional economies.

Since 2001, for regions that meet the specific criterion, companies engaged in cultural industry have been clustered, and support has been provided for incubation, research and development and fostering of human resources. Because it has only been three to four years, there have not been much tangible accomplishments, but it is expected to become the groundwork for the development of Korea's cultural industry in the future.

REGIONAL ADVANCEMENT OF CULTURAL INDUSTRY

I have briefly outlined the development in the Korean cultural industry. Now I would like to speak on the various measures that the Asian region can make joint efforts for the development of cultural industry on a regional level.

Firstly, there needs to be a common understanding in the international community on the role of cultural industry in the regional co-operation. In Europe, along with immense efforts for economic integration, much was done to understand the barriers and cultural differences. As part of such efforts, the European Union (EU) is carrying out the MEDIA programme to promote video exchanges between EU member states. The Asian region should also recognise that in order to advance regionalism and integration of economy, cultural exchanges and co-operation in cultural industry can be a critical medium. I believe that cultural infrastructure that builds trust among people and countries within the region is as important as the physical infrastructure like airports, road and rail.

“Free distribution of information and the establishment of a standard in cultural industry statistics is most urgent. In particular, it is difficult to carry on joint discussions because the definition and scope of cultural industry differs from country to country.”

“ ***Creative industries are 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. That definition covers not only traditional areas of culture and arts, but also the new technologies with which we are increasingly familiar.*** ”

Secondly, to promote co-operation in cultural industry of the Asian region, free distribution of information and the establishment of a standard in cultural industry statistics is most urgent. In particular, it is difficult to carry on joint discussions because the definition and scope of cultural industry differs from country to country.


Thirdly, active support for joint production is important for co-operation in cultural industry of Asian region. Creativity and imagination are expressed in diverse cultural environment. The cultural contents made in these environments will embody both regional and universal features that enable them to be competitive in the global market.

International co-operation within the cultural industry should be based on the respect for cultural diversity and mutual exchange. In order to harmonise globalisation of cultural industry and enhancement of diversity, exchange and co-operation among countries should be actively increased and an environment where contents can be jointly developed needs to be created.

As part of this effort, active support is necessary for joint production. For example, in Korea, for bilateral joint production agreements, when a domestic company joins a foreign company, a certain amount of support is provided, thus contributing to international co-operation.

I believe that to achieve co-operation and development in the cultural industry in Asia, exchange and interaction among people must be active. One of the ways to achieve this would be in promotion of joint production or holding forums more actively like the Asia Cultural Co-operation Forum. This forum, I think, serves as a chance for dialogue between Asian countries. I think that more ways to co-operate can be discussed in the future.

Lastly, I would like to thank Dr Patrick Ho, Secretary for Home Affairs, and the relevant officials for making great effort to prepare this forum.

Thank you. 

MS LOLLY CHIU: Thank you, Mr Bae. May I now invite **His Excellency Dato' Wong Kam Hoong, Deputy Minister of Culture, Arts and Heritage, Malaysia.**

MR WONG KAM HOONG:

Malaysia

Honourable organising chairman, Dr Patrick Ho, Secretary for Home Affairs, Hong Kong SAR of the People's Republic of China, Honourable Mr Sun Jiazheng, Minister of Culture, the People's Republic of China, honourable Ministers, Vice Ministers, Parliamentary Secretaries, distinguished guests, ladies and gentlemen, a very good morning to everybody, and for our Muslim friends who are here, I wish them Hari Paraya.

As we all know, the creative industry has emerged as one of the key economic drivers in this part of the world. I see the Asian economy as a prime example of an economy that has shifted from being manufacturing-based to one in which arts and creativity play a key part.

Let me first start with a point of definition. I am aware that different organisations and commentators define the creative economy in different ways. Creative industries are 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

“ *The Malaysian Government, through the MHDC, has taken various initiatives to ensure sustained development of the craft sector. Concerted efforts have been given to research and development, trade promotions, craft entrepreneur development, skill training and preservation and conservation of heritage crafts.* ”

property. That definition covers not only traditional areas of culture and arts, but also the new technologies with which we are increasingly familiar.

Ladies and gentlemen, a country's culture is often reflected in its arts and crafts. Malaysian culture is no exception. The craft industry has emerged from traditional skill and know-how to an economic-driven industry, and it vividly reflects the colourful and varied heritage of Malaysians.

For the purpose of today's discussion, I would like to concentrate on the development of craft industry in Malaysia.

Craft development in Malaysia has gained the government's support and recognition since the late fifties. In 1958, this responsibility was initially entrusted to the Rural Industrial Development Authority (RIDA). Having evolved through a few ministries, as of May 2004, it has been placed under the aegis of the Ministry of Culture, Arts and Heritage. Another achievement for the craft industry is that 28 February has been declared as a national craft day to be celebrated nationwide every year.

THE MALAY WEALTH: CRAFT INDUSTRY

Other than gaining support from the government, the craft industry, particularly the batik textile and weaving industry, has gained interest of the First Lady, the wife of our Honourable Prime Minister of Malaysia.

Through the non-governmental movement, she has been able to uplift this industry. Several activities have been carried out, such as Batik Malaysia – Crafted for the World.

This session shall explicate the vision, mission, objective, strategies and functions of the Malaysian Handicraft Development Corporation (MHDC). Its mission is to be the lead agency in the growth and promotion of the craft industry.

Its mission is to develop a resilient craft entrepreneur and promote innovative and quality crafts. Its objective is to develop and promote the craft industry and craft entrepreneurs.

To achieve its mission, seven strategies have been underlined as follows: to develop potential entrepreneurs; to develop market-oriented products; to upgrade and introduce new technology in the production process; to ensure continuous supply of quality raw materials; to identify market opportunities both at domestic and international levels; to develop skilled human resources; and finally to preserve and conserve traditional crafts.

The functions of the Corporation are as follows: to develop, where necessary, and to stimulate and rehabilitate traditional skills and craftsmanship; to develop and stimulate the growth and maintain the standards of the craft industry by various means, including the provision of research, advisory and extension services; to guide, orientate and assist existing craftsmen towards the use of modern methods of production, management and marketing; to regulate, develop and improve the quality and maintain the standards of craft products for local and foreign markets; and to promote the marketing and export of such craft products.

The Malaysian Government, through the MHDC, has taken various initiatives to ensure sustained development of the craft sector. Concerted efforts have been given to research and development, trade promotions, craft entrepreneur development, skill training and preservation and conservation of heritage crafts.

VIABILITY OF THE CRAFT INDUSTRY

Research and development efforts are essential to ensure the industry remains competitive and is able to sustain. The main activities under this programme are as follows:

Product Development In realising the need to create new, functional and attractive products, product development and improvements are given emphasis. Product development is carried out in-house. Collaboration with local experts to create new products and designs has also been undertaken. Experts from other countries, such as The Philippines, United Kingdom, Indonesia, Japan and the United States are also engaged to assist product development for local consumption as well as specific markets.

Research on Process and New Technology In order to increase productivity, research on process for design preparations and production has been undertaken. To date, the MHDC has introduced several technologies to the producers, namely, computer-aided design system for batik and songket weaving, kiln for firing of ceramic product and many others.

Research on Usage of New Raw Materials To be competitive in the market, MHDC undertakes research on usage of new raw materials. For example, research was carried out on new materials for batik-making, new yarns for weaving, new natural dye stuffs, new ball clay for ceramics, et cetera. The findings of the researchers are then imparted to the producers through workshops and exhibitions.

Packaging Attractive packaging is essential to create added value to the products. This is to ensure that products are able to compete with products from other countries.

Development of Standards In the era of globalisation, standards for products are required. Countries which are able to produce the best quality products will definitely have an edge over the others. Taking cognisance of this requirement, MHDC has embarked on the development of standards for silver, songket weaving products and batik.

MHDC has also set up two craft innovation centres, that is, batik and ceramic. In the pipeline is the establishment of another two centres for woodcraft and weaving. These centres shall play the role of imparting information on new product design, technology, material, processes to the producers. Through this effort, the producers will be able to produce innovative products appropriate for the markets.

Trade promotions Trade promotions are conducted at two levels, that is, at the domestic and international levels. However, greater emphasis is given to the domestic market as it is the main contributor to the craft industry in Malaysia. As for domestic production, in facilitating the domestic market, various thematic promotions and road shows were organised. Some of the examples of the thematic promotions are Jungle Beckons, Craft

“ *The National Craft Day celebrated in February every year has been a reputable event, not only among the local buyers but also the foreigners. This access is for the producers to learn from each other on new product development techniques and technology.* ”

Textile Splendour, Pottery in Motion and many others. Local producers and traders were invited to participate.

As mentioned earlier, the National Craft Day celebrated in February every year has been a reputable event, not only among the local buyers but also the foreigners. This access is for the producers to learn from each other on new product development techniques and technology. From this event, the producers are able to gauge the position of their products. Roadshows are conducted at shopping complexes, hotels, government offices and tourist destinations. Other than thematic promotions and road shows, MHDC participated in trade fairs organised by other bodies. Local craft producers are invited to participate in these events.

For international promotion, in order to further tap the export market, efforts were geared towards participating in international trade fairs and in-store promotions. The Corporation has participated in international trade fairs such as the International Autumn Trade Fair in Dubai, Spring Fair in Birmingham, Hong Kong Gift and Premium Fair, Tendency Lifestyle in Frankfurt, Germany, and so forth. The Corporation also participated in in-store promotion in Japan as well as London. Craft producers who were able to produce quality products in large volume, were given the opportunity to participate in these fairs.

Website and e-commerce facilities especially for craft entrepreneurs who ventured in web-based business were launched. An integrated production design system has been successfully developed.

Craft Entrepreneur Development To ensure continuous supply of craft products for domestic and export markets, the MHDC has adopted various initiatives, namely:

One Village One Industry ('OVOI') The Government of Malaysia has given emphasis on OVOI. In line with this, the MHDC has developed 49 craft villages. The areas developed are forest-based (that is woodcraft, bamboo, as well as rattan), ceramics, craft textile (batik and weaving and embroidery), and metal-based (that is silver and brass).

The Corporation renders technical assistance and business consultancy to the producers so as to enable them to produce quality products and manage their company effectively.

We also have an incubator system which has been introduced where the young producers are nurtured to be resilient and successful entrepreneurs. A duration of three years is granted to them under the 'Exit Policy'. Those who manage to perform shall be allowed to leave the scheme and operate their business independently.

Skills Training The National Craft Institute, owned by MHDC, provides academic and skill training in various fields of crafts such as batik, weaving, ceramic, wood craft, bamboo and metal-based. The institute offers diploma and certificate programmes. The duration for the diploma programme is three years whilst the duration for the certificate programme is two years.

Craft preservation Preservation and sustenance of the heritage craft is one of the efforts undertaken to ensure the ever-lasting knowledge and resources for the younger generations. Organising exhibitions, educational sessions through seminars and workshops, researchers,

publications and documentations are part of the activities. To ensure that the skills are passed down to the younger generations, an Adiguru Scheme — 'adiguru' is a Malay word meaning 'expert'; it is 'si fu' in Japanese as well as in Mandarin and Cantonese — has been introduced. Master craftsmen in various fields are appointed to conduct this project. To impart this aspect of the crafts, several craft museums have been set up in various states in Malaysia. Other programmes undertaken by MHDC includes bilateral arrangement with other countries and publicity.


The Malaysian Handicraft Development Corporation provides services and incentives for the craft entrepreneurs. They are research and development:

- (a) Product design assistance service. The corporation provides consultancy service in product development to craft entrepreneurs on a cost-sharing basis. The consultancy cost is borne by MHDC, whilst the entrepreneur is responsible for other related costs. The services are offered on a project basis.
- (b) Research on process and raw materials. Collaboration and networking with local industries and relevant public and private agencies through new or improved production processes and raw materials are undertaken. The findings are imparted to the producers.
- (c) Craft innovation centres would also be benefitted by the producers. Promotion and marketing of domestic and international level. MHDC assists the craft entrepreneurs in promoting their products through the following trade promotion incentive schemes and services: for domestic promotion, MHDC supports 80 percent of the cost of renting the exhibition space. For overseas trade exhibition, MHDC bears the full cost of exhibition personal space, standard props and one-way transportation of products plus insurance.

E-commerce Services Craft entrepreneurs are invited to advertise their products in the corporation's website, www.malaysiancraft.com

Licensing Services Craft entrepreneurs who wish to export products can obtain a certificate of authenticity for their craft products from the Corporation.

Craft Entrepreneur Development MHDC plans workspace to craft entrepreneurs at nine craft development centres. Besides the usage of common facilities such as machinery and equipment, participants are given support services in product development and promotion, as well as entrepreneur causes.

This is my paper for today and I would like to thank everybody for their kind attention. Thank you very much. 

MS LOLLY CHIU: Thank you. May I now invite **Mr Nestor O. Jardin, President of the Cultural Centre of The Philippines.**

MR NESTOR JARDIN:

The
Philippines

Thank you. Your Excellencies, friends and colleagues in the field of arts and culture in Asia, a pleasant good morning to all of you. My talk this morning will focus on an overview of creative industry in The Philippines. I would like to begin my talk with a story.

THE RHETORIC OF SUCCESS

One of my favourite stories is a conversation I have had with a former Minister of Arts and Culture of a state in Australia several years ago. I was invited by a friend for dinner in her house in honour of the visiting minister. I sat next to her and in the course of our conversation, she related to me how she was able to get her department's budget increased.

“*‘Why would I want the figures?’ she asked. Because I wanted to have a baseline data that would help guide government cultural agencies like the Cultural Centre of The Philippines, the National Commission for Culture and the Arts and the National Museum in planning programmes to help develop and promote creative industry in The Philippines.*”

She planned a way to achieve her goal by speaking in the language that top decision-makers would understand. And she did not mean Australian English, although that is hard for me to understand; she meant the language of economics. How did she do this and for what purpose?

She suspected that the arts and cultural industry contributed a lot to the Australian economy. Unfortunately, her minister and the Department of Industry and Tourism did not have consolidated figures to prove that. Unlike agriculture, transportation, mining, food and technology, arts and culture enterprises were not grouped together under one industry classification. After one year of extensive research and data gathering, which included determining economic outputs of various creative and cultural industries such as the performing arts, visual arts, graphic design, fashion, arts and crafts, garments, film and broadcast arts, architecture, literature, printing and publishing, cultural heritage goods and services, she arrived at a staggering figure amounting to 30 percent of contribution to the gross national product.

Her suspicion proved right. With data and figures in hand, she argued that with more support for artistic and cultural infrastructure and activities, that 30 percent could go up. She immediately got the budget that she was asking for.

I suspect that is the case in The Philippines and in many other countries as well. Three months ago, I requested for a meeting with the Undersecretary of Trade and Industry to find out precisely the same thing. As expected, the department did not have creative industry as a category, and therefore there were no consolidated figures to obtain. ‘Why would I want the figures?’ she asked. Because I wanted to have a baseline data that would help guide government cultural agencies like the Cultural Centre of The Philippines, the National Commission for Culture and the Arts and the National Museum in planning programmes to help develop and promote creative industry in The Philippines.

On the one hand, creative industry in The Philippines is a young segment of the Philippine economy. On the other, it is also, along with agriculture and trading, one of the oldest. Pre-colonial history indicates that the cultural goods produced and traded by the numerous cultural communities in The Philippine archipelago were a significant part of the livelihood of

“ ***Creative industry in The Philippines could be classified to include: performing arts; visual arts; publishing, printing and literature; crafts, design and architecture; audiovisual and new media; cultural heritage; and cultural activities.*** ”

“ ***The Cultural Centre of The Philippines (CCP), is an agency established in 1969 to develop, conserve and promote arts and culture in The Philippines in all its varied aspects. Its programmes include training and education, production, exhibitions, conservation and promotion of traditional and contemporary arts all over the country.*** ”

these communities. These goods included pottery, textile, mats, brass-works, woodworks and ornaments. Many of these age-old cultural products are still being produced today.

THE PHILIPPINES' CREATIVE INDUSTRY: THRESHOLD OF THE OLD AND THE NEW

Since then, creative industry has expanded to include a wide range of cultural goods and services. At present, the following categories defined and adopted by the UNESCO framework for cultural statistics, creative industry in The Philippines could be classified to include: performing arts; visual arts; publishing, printing and literature; crafts, design and architecture; audiovisual and new media; cultural heritage; and cultural activities.

In the absence of an integrated national development plan for creative industry, many government agencies nevertheless are doing exemplary work to develop and promote it in the areas of research, design, production, packaging, financing, marketing and distribution, and human resource development. Among these agencies are:

The Centre for International Trade, Expositions and Missions (CITEM), an export promotion agency of the Department of Trade and Industry. Its mandate is to promote The Philippines as a reliable source of quality products and services, through trade fairs, special exhibitions, in-store promotions, trade missions and other promotional activities in the country and abroad.

The second is the Product Development and Design Centre of The Philippines, a technical agency of the Department of Trade and Industry, mandated to promote industrial design as a tool for improving the quality and competitiveness of Philippine products. It serves the needs of design of entrepreneurial groups and associations from every level of the industry.

The Cultural Centre of The Philippines (CCP), is an agency established in 1969 to develop, conserve and promote arts and culture in The Philippines in all its varied aspects. Its programmes include training and education, production, exhibitions, conservation and promotion of traditional and contemporary arts all over the country.

The National Commission for Culture and the Arts was established in 1992 as the overall policy-making and grant-giving government agency for arts and culture in The Philippines. Its programmes covers the arts, cultural heritage, cultural promotion, as well as cultural communities and traditional arts. It also manages the National Endowment Fund for Culture and the Arts.

The National Museum was established in 1901 with a mandate to acquire, document, preserve, exhibit and foster scholarly study and appreciation of works of art, specimens, cultural and historical artefacts.

The Small Business Guarantee and Finance Corporation is an agency of the Department of Trade and Industry that supports the development of small and medium enterprises by promoting various modes of financing and credit delivery systems.

On a more specific note, the Cultural Centre of The Philippines, which I head as president,

“ *Modern Indigenous fuses traditional crafts with contemporary function and style, aims at elevating the image of traditional crafts and create a market for handmade products to support the indigenous cultures.* ”

undertakes the following programmes to help develop and promote creative industry. We have the CCP residency programme which supports eight of the country's leading performing arts groups, through full or partial subsidies and physical facilities grants.

The Sining at Paglikha (Arts and Creation) is a national training and education programme aimed at developing and promoting expertise in traditional arts and crafts among members of cultural community.

The Panday Kultura is a national training programme gearing towards developing arts management and cultural administration capabilities of local arts organisations.

The CCP Summer Conservatory is an annual six-week workshop and specialised training programme for practitioners in the performing arts, production design, technical theatre and literary arts.

The bulk of the work and output of creative industry in The Philippines is, of course, being undertaken by the private and business sectors including artists, cultural workers, arts managers, entrepreneurs in the micro, small and medium creative industry as well as big corporations in the performing arts field.



In the field of performing arts, the Organisasyon ng Pilipinong Mang-aawit (OPM) is a non-governmental organisation that promotes the Philippine music industry through advocacy, promotion and intellectual property right protection. Philstage, a loose aggregation of ten professional theatre and dance groups in Metro Manila organises programmes that promotes audience development, artistic standards and professionalism among its members. The Philippine Association of Theatre Designers and Technicians is the country's only association that brings together and promotes expertise of leading professionals in the field of scenography, technical direction and theatre education.

In the fields of design and crafts, some private sector initiatives have become stories of success in The Philippines. One of them is MODI, an acronym for Modern Indigenous, which is a unique line of designer home and fashion accents featuring collaborations with top local designers and master craftsmen from various cultural communities. The brand, which fuses traditional crafts with contemporary function and style, aims at elevating the image of traditional crafts and create a market for handmade products to support the indigenous cultures of the Mangyans of Mindoro, the T'bolis of Lake Cebu in Couth Cotabato, the Higaonons of Bukidnon and the rural weavers of the Negros Islands.

JOINT EFFORT OF GOVERNMENT AND BUSINESS SECTORS

On a larger scale, one success story is that of MOVEMENT 8, an alliance of the country's leading furniture and home furnishing designers whose aim is to establish The Philippines as a serious player in the international design industry. By banding together and organising skills

“ *The current need, therefore, is for the Philippine Government to institutionalise its support for the creative industry and to integrate its efforts with those of the private and business sectors. Toward this end, a comprehensive and integrated national development plan for the creative industry would soon be developed.* ”

development programmes, they have elevated Philippine design standards which have been lauded in numerous international exhibitions and trade fairs.


The current need, therefore, is for the Philippine Government to institutionalise its support for the creative industry and to integrate its efforts with those of the private and business sectors. Toward this end, a comprehensive and integrated national development plan for the creative industry would soon be developed.

On the regional level, ASEAN, through its Committee on Culture and Information (COCI), is currently formulating a plan that will develop and promote small and medium cultural enterprises (SMCE) in the region. In fact, a visioning and planning workshop for the ASEAN COCI's SMCE programme will be held in Jakarta during the first week of December this year.

The onset of globalisation triggered by the ever-expanding free market economy has had alarming effects on many national cultures, particularly those of developing countries. In the process, dominant economic powers have indirectly and perhaps unintentionally led a global cultural invasion facilitated by the rapid advancement of the information communication technology.

In this regard, UNESCO is now in the process of formulating a draft convention on the Protection of the Diversity of Cultural Contents and Artistic Expressions. This convention aims at ensuring that national cultures are preserved in the light of globalisation. One of the main strategies proposed is to develop and promote creative industry in each member state. This is premised on the principle that cultural goods and services are of both economic and cultural nature, and that because they convey identities, values and meanings, they must be developed and promoted.

All stakeholders in the creative industry should therefore ensure that cultural goods and services retain their integrity as artistic and cultural expressions. There is a very thin line between commercialism and creative intent which could jeopardise the inherent nature of cultural goods and services as a medium to convey the unique identities, values and meanings of a society.

Thank you. 

MS LOLLY CHIU: May I now invite **Dr Lee Boon Yang, Minister for Information, Communications and the Arts, Singapore.**

DR LEE BOON YANG:

Singapore

Good morning. I must first thank Dr Patrick Ho for kindly arranging for me to speak after the tea break. Now that every one of us has had a cup of coffee or tea and some snacks, I think we are all very alert and ready to have some more cultural input.

During the coffee break, I had a chance to touch base with Ms Shirley Lee, Permanent Secretary for Home Affairs of Hong Kong, and she was expressing a little bit of disappointment with the progress so far. I see why, because she said something has been left out.

“ *In the media industry, for instance, Asian film is no longer an obscure genre delegated to the occasional art-house theatre. Asian films are now mainstream, and very much contributing to energising the industry on a global scale.* ”

So far, nobody has spoken about the importance of food and cuisine in our cultural experience. It dawned on me that indeed, she is quite right, because food and cuisine is very much a part of our culture. As we talk about cultural co-operation, we must recognise all the different possibilities in exchanging cultural interests and building up or developing the strength of each Asian nation's culture, and indeed food forms a very strong part of our cultural exchange.

Here in Hong Kong, a veritable cosmopolitan buffet of cuisine is available, representing all cultures from around the world, and I think this is a particularly interesting and exciting combination that Hong Kong offers.

In fact, to have this second cultural co-operation forum being held here is a great tribute to Dr Ho and the Home Affairs Bureau, to organise this forum, to give us this unique opportunity to discuss, to exchange ideas on cultural co-operation, and developing our own national cultural and creative industry. I see that as a tremendous contribution to cultural co-operation across Asia.

On behalf of my delegation, I would first of all like very much to convey our deepest appreciation to Dr Ho, the Home Affairs Bureau and the Government of the Hong Kong Special Administrative Region for the warm hospitality that has been extended to my delegation, and also for mounting this incredible effort to organise such a forum. In fact, the success of the forum can well be judged that this is the second year it is being organised, and this second year we are seeing a greater spread of participation. We are also seeing a strong and big delegation from China, and I think that augurs well for greater cultural co-operation between Asian countries, including China.

Over the next few minutes I would like to talk about the rise of Asian creativity and the greater interest that the world is taking in Asian culture and Asian creativity. I think this interest in Asian culture and growing appreciation of the need for greater cross-border cultural co-operation will enhance and deepen the mutual understanding between Asian nations. I think it will go a long way to contribute to regional co-operation, regional stability, and also for recognising and celebrating our cultural diversity.

There is also an important and exciting new dimension to cultural co-operation, and here I am referring to the impact of growing engagement and synergy of our cultural diversity on the future of Asia's creative industries.

In recent years, we are beginning to see a kind of breakthrough in this area. Asia's creative industry and Asia's creative talents are increasingly being featured, and in some cases even making centre stage, in domains and a creative platform that were traditionally dominated by western creative talent and products.

ASIAN CULTURAL TREASURES MAKING CENTRE STAGE

In the media industry, for instance, Asian film is no longer an obscure genre delegated to the occasional art-house theatre. Asian films are now mainstream, and very much contributing to energising the industry on a global scale. For example, the success of films like *Crouching*

Tiger Hidden Dragon, and *Hero*, not just in Asia but in the West, points to the possibility of beautifully made Chinese Kung Fu movies reaching out to a wider international audience.

This year, four out of eight award winners at the Cannes Film Festival 2004 were from East Asia. We are not talking just about movies alone. Asian influence is also increasingly observed in the design arena.

This year, for the first time in the 24-year history of the Annual Design Award, which is sponsored by *Business Week* and the Industrial Designers Society of America, an Asian company, Samsung, won more awards than any US or European corporation. I am appreciative of the fact that Dr Ho has arranged for all of us to have a Samsung monitor in front of us. This is the testimony to the pervasive capability of Samsung.

“ Samsung has indeed demonstrated that Asian designs can be aesthetically pleasing and also commercially successful. We are also seeing in this period the emergence and phenomenal successes of Asian cultural products in their original form or translated, repackaged for an international audience. ”

Samsung has indeed demonstrated that Asian designs can be aesthetically pleasing and also commercially successful. We are also seeing in this period the emergence and phenomenal successes of Asian cultural products in their original form or translated, repackaged for an international audience. Examples would include Japanese anime, the animation films coming out from Japan which are being viewed all over the world, including of course in Singapore, because we turn on the TV from 5 to 6.30 pm in the evening you will see a lot of these Japanese anime on our TVs; also, South Korean films and TV series, which are now ready to take on Hollywood blockbusters.

Those of you who have seen the rather gory and brutal two-part film, *Kill Bill*, by celebrated Hollywood director Quentin Tarantino will no doubt recognise his source of inspiration. I saw the movie last month whilst on a non-stop flight from Singapore to Los Angeles I had the chance to see both movies at one go. It was clearly based on our Kung Fu vengeance saga re-invented for an international audience. Recently, after the success of *Kill Bill*, Tarantino is talking about producing a Mandarin Kung Fu movie. This is truly a fusion of East and West at work.

Asian talents are not just being recognised by awards. They are also being recognised as having attained certain maturity and success and established themselves to become arbiters of creative excellence. For instance, Mr Piyush Pandey, Chairman of Ogilvy & Mather India, made history by being appointed the first Asian President of the Cannes Lions International Advertising Festival during this year. Mr Pandey visited Singapore recently as a mentor at the 'Creative Youth Xchange', which was organised by my Ministry. I will say more about the creative views exchanged later on.

At this event, Mr Pandey and other creative icons, such as Oscar-winning film director, Francis Ford Coppola, shared their views on Asian creativity with an audience of youth and emerging creative talent.

CALLING FOR AN ASIAN SYNERGY

Mr Pandey's view on Asia's vast creative potential and the need to integrate the rich culture and wealth of talent in Asia with the recent lessons of the West demonstrated the optimism and regards that surround Asia's creative industries.

“ *Asia's potential and capital lies not just in its huge market and human capital, but also in its vast and deeply rooted cultural capital.* ”

Mr Coppola also highlighted the key role of heritage and culture in the development of creative industries and Asia's strengths in these areas. Mr Coppola emphasised that the current western lead was the result of recent historical development, and Asia can confidently look forward to its own cultural capital to further boost our creative industries.

Mr Coppola's comment is particularly relevant to our effort to develop Asian creative industry. But he is not the only creative leader to make such comment about Asian creativity and Asian cultural capital.

Mr George Lucas, Chairman of Lucasfilm and the creative force behind the *Star Wars Trilogy* recently established Lucasfilm Animation in Singapore. He explained that his studio in Singapore would enable his company to create a new style of animation by blending western and eastern styles of fusion.

It is therefore becoming increasingly obvious that Asia's potential and capital lies not just in its huge market and human capital but also in its vast and deeply rooted cultural capital. Cultural capital is the accumulated sum of our cultural resources, including our cuisines and our culinary experience, national heritage, national identity, creative and artistic capability — all this captured and held together to form part of our cultural DNA. Asia's diversity of cultures and the wealth of heritage is therefore an invaluable asset.

The challenge is to deploy this cultural capital and to tap our omnipresent cultural DNA to launch a distinctive Asian feel in our lifestyle, products and services. We can customise; we can repackage; we can re-present these new products and services to suit the increasingly sophisticated world market.

By deploying cultural capital and riding on rapid technological development in the context of huge investment flow and explosive consumer growth throughout Asia, we will not only be able to share and celebrate our cultures and our cultural diversity, but also create tremendous value and new employment opportunities for Asian people.

Let me now spend a few minutes to talk about Singapore's creative industries development strategy. Last week, I informed this same forum that Singapore has started to leverage our cultural capital to grow creative industries. Our creative industry development strategy comprises three prongs: Renaissance City 2.0, a programme to follow up on our decade-long one billion dollars investment in arts and cultural facilities and audience development; secondly, the Design Singapore initiative, to spark off greater awareness of design in business strategy and among consumers; and last but not least, the Media 21 programme, to grow the media sector in Singapore.

SINGAPORE EXPANDING CREATIVE INDUSTRIES

The global trends that I have outlined earlier show that our confidence in the potential of the creative industry in Asia is not misplaced. Singapore will be investing more than \$200 million over the next five years to tap this potential, so as to double the sector's contribution to GDP by the year 2012, and to add a new range of job opportunities for our people.

I shall not go into the detail of these strategies which were already outlined at last year's forum. Instead, I would like to share Singapore's experience in developing the creative industries, under three broad areas or three 'Ps' which represent people, platforms and partnerships.

I feel that these three 'Ps' are fundamental keeping points or fulcrums for creating a thriving creative cluster. These three 'Ps' also offer opportunities and ideas for co-operation among Asian countries.

First, on people, more so than in any other industry, the life-blood of creative industry is, of course, creative people. Without creative people, there will be no creative industry. So at the most fundamental level, it is the quality of creative talent and their innovations and innovative capability that will determine the success of a country or a region's creative industries.

“ *Even before we had a clear creative industry development strategy, we had long recognised the importance of nurturing creative talent. Therefore, in the past ten years, there has been tremendous progress in the arts, design and media education and training landscape in Singapore.* ”

Even before we had a clear creative industry development strategy, we had long recognised the importance of nurturing creative talent. Therefore, in the past ten years, there has been tremendous progress in the arts, design and media education and training landscape in Singapore.

The Nanyang Academy of Fine Arts and La Salle-SIA College of the Arts now provide diploma and degree courses in the arts. The National University of Singapore offers degree programmes in music, theatre studies, architecture and industrial design. Nanyang Technological University offers a degree programme in mass communications.

EDUCATION AS STRATEGY OF CREATIVE INDUSTRY

Even as more opportunities are opening up for creative talents in Singapore, the Nanyang Technological University has geared itself to prepare new arts students who are more suited for these new opportunities. That is why the NTU has recently announced the establishment of the School of Arts, Design and Media, deliberately to support this creative industry strategy.

We have also decided to establish a pre-tertiary arts school for students between the ages of 13 and 18. All our education and training facilities to nurture, to groom and to develop creative talent are not just purely for Singaporeans. The government has always encouraged and supported these institutions to open their doors to students from the region, from our neighbouring countries in Asia in particular, to attend these courses.

So when I visited the Nanyang Academy of Fine Arts, for example, two months ago, I met many foreign students on campus. They have come from various parts of Asia — China, Viet Nam, Indonesia. So in this way, we are helping to contribute to develop and nurture more creative talents for Asia. I think it is critical that each of us tries to do our part in this regional effort to develop a pool of artistic and talented people who can better contribute to the region's creative industry.

We have also adopted a more pro-active approach in developing creative talent for the creative industries. Within a year of its launch, the Media 21 programme had already provided training for more than 5,000 media professionals and students under its capability

“ ***My proposal is for members of this forum to support the initiation of a series of annual Asia creative youth workshops, hosted in turn by each Asian country. The objective of these workshops is to provide Asian youth with mentoring opportunity and to be guided on thematic projects by Asia's most talented artists, designers and media practitioners.*** ”

development and media education scheme. We are not just waiting for the media investors to come to Singapore, but we are already ensuring that we have people who are trained and ready to do the job that is required by this new investment, ready to seize any new opportunity in the media sector.

So we are trying to break the chicken-and-egg cycle, by ensuring that the government puts in investment first, both in terms of infrastructure and also in terms of developing human resources for these new industries that are coming on stream.

The Design Singapore Council, which is within my Ministry, has initiated 'Many Ways of Seeing', which is a programme to cultivate an appreciation of design and integrate design as a creative learning tool in school. So young students are being exposed to the possibilities that design can offer, and also to the potential for them to develop their creative talents in the design area.

Our economic development board has sent Singaporeans to learn from the experience of the more successful leaders, particularly in the game industry leaders, such as Koei, Sega and Capcom. These are among the others where they have sent people or students for training. They have also sent a number of Singaporeans for training in graphic design, animation, games programming, for instance.

To further demonstrate our emphasis on nurturing talent, more initiatives and developments are in the pipeline, and among them a landmark comprehensive study and survey of the entire creative industry. This is, in a way, a response to what Mr Jardin of The Philippines mentioned earlier, about how important it is for each of us to understand the extent and contribution that the cultural industry can make to each country's economy.

So in terms of getting government support, this is critical, and we must have a baseline. We must have fundamental information on creative industries, and on cultural industries in our countries. I see here that a presentation will be given later on the Hong Kong Creativity Index. These are areas where we can exchange more information and share our experiences as we come to grips and have a better feel for the needs and the strengths and weaknesses of our cultural industries.

In our context, this comprehensive study will enable us to fully understand the myriad of creative skill sets and manpower demand in this complex industry, and also to ascertain the required education and training frameworks to better serve the industry.

Beyond education and training, access to opportunities for wider cultural exposure is essential to nurture creative talents. This brings me to my first suggestion for this forum's consideration. My proposal is for members of this forum to support the initiation of a series of annual Asia creative youth workshops, hosted in turn by each Asian country. The objective of these workshops is to provide Asian youth with mentoring opportunity and to be guided on thematic projects by Asia's most talented artists, designers and media practitioners. These will both inspire our youth and also help them to further develop their own artistic and creative capabilities.

PLATFORMS FOR BLOSSOMS

Next, I turn to platforms. I mentioned earlier the growing success of Asia's creative talents and products at international platforms such as the Cannes Film Festival and *Business Week's* Annual Design Awards. The importance of such platforms cannot be understated. From the Oscars in the media sector, the Reddot Awards in the design sector, to the Venice Biennale in the arts sector, they provide creative talents critical opportunities to showcase, validate and exchange creative ideas. Such opportunities are crucial for the growth and development of our creative talents.



For this reason, Singapore has in past years supported our own creative talents at platforms such as Tokyo Designers Block in Japan, Sao Paulo Biennale in Brazil, Asian Art Biennale in Bangladesh, Documenta in Germany, Gwangju Biennale in Korea, the Venice Biennale 2003, and again, this year, Venice Biennale International Architecture Exhibition.

“ **Leading-edge creative works are commonly borne out of cross-disciplinary collaborations and partnership. The successes of design firms like Ideal and Imagination, which adopts a multi-disciplinary philosophy, attest to the fact that creative work is often borne out of partnership between people.** ”

These platforms are part of the ecosystems of the creative industries, and the recognition and validation at such platforms have become the basis for creative progression, investment decisions and financial rewards for creative enterprises and talents.

With the rise of Asian creativity, there will be increasing demand for platforms in Asia that are of global stature, to provide accessible opportunities for our talents to showcase their innovations and their own creations.

My second proposal is for Asian countries to start to collaborate to grow globally renowned platforms in Asia, to recognise and showcase our creative talents. Early this year, we in Singapore sought to provide one such platform; the 'Creative Youth Xchange' was launched as the platform for Asia's youth to showcase their most creative talents and ideas across arts design and media. This was the event which I mentioned earlier on, where Mr Pandey and Mr Coppola were present. This event was very well received and entries were received from Asian countries, including China, Hong Kong, Indonesia, Malaysia, and of course our own creative youth took part.

We will continue to grow this event, to provide emerging talents, a platform in Asia to benchmark against each other and to showcase their ideas. We will certainly welcome partners from Asia to join us in this effort to grow this forum and similar other forums within Asia, to provide opportunities for our creative talents to showcase their products or their creations.

Last but not least, I will turn to partnership. Leading-edge creative works are commonly borne out of cross-disciplinary collaborations and partnership. The successes of design firms like Ideal and Imagination, which adopts a multi-disciplinary philosophy, attest to the fact that

“ **Partnerships between Asian countries are not just confined to government level. Initiatives from the ground, such as the Flying Circus Project, an inter-cultural workshop for Asian artists, and the Asia Arts Network, were both started by Singaporean theatre practitioner, Ong Keng Sen.** ”

creative work is often borne out of partnership between people. Similarly, in developing Asia's creative industry, it is important that we continue to seek partnership to synergise and to leverage the spectrum of culture and strength that is available in Asia.

IN SEARCH FOR PARTNERSHIP

Forums such as the Asia Cultural Co-operation Forum play a crucial role in catalysing the formation of such partnership. The fact that we have gathered here for the second year in a row to exchange and share our views and experiences on culture will certainly facilitate and strengthen this co-operation.

In recent years, Singapore has also strived to seek Asian partnership through various platforms. Singapore played host to the 17th International Society for the Performing Arts Congress 2003, Face Asia, attended by 130 delegates, 85 from overseas.


Immediately before the International Society for the Performing Arts Congress, Singapore hosted the bi-annual Asian Arts Mart 2003, which is the platform for cross-cultural and cross-national dialogue, while providing exposure for Asian performing arts. From 23 to 26 November last year, 154 delegates from 48 countries comprising arts and cultural policy-makers and artists from more than 40 countries gathered in Singapore for the second World Summit On Arts and Culture.

In the past year, Singapore has also been forging partnerships through Memorandums of Understanding (MOUs) on arts, archives, library and also on media co-operation with various Asian countries, including Hong Kong, China, Japan and Korea.

Partnerships between Asian countries are not just confined to government level. Initiatives from the ground, such as the Flying Circus Project, an inter-cultural workshop for Asian artists, and the Asia Arts Network, were both started by Singaporean theatre practitioner, Ong Keng Sen.

Another example is the Design Alliance, a network of Asian design houses with a one-stop service and intimate knowledge of local culture, which shows how such partnerships can and should be forged at the public and private levels.

My third and final proposal is for us to explore whether we can go beyond MOUs on the arts, archives, library and media co-productions. These creative age MOUs could possibly encompass the entire spectrum of activities in the creative industries, and Asian governments should adopt a more pro-active approach in facilitating such MOUs and collaborations between our organisations and associations in the creative industries.

In conclusion, I would like to reiterate the importance of the different points of people, platform and partnership in developing the creative industries. I firmly believe that greater collaboration among Asian countries in these respects, coupled with Asia's long history, rich and diverse culture, creative talents, rapid technological progress and vast economic and market potential, will catalyse greater achievements by Asian nations in this new creative age. Thank you. 

MS LOLLY CHIU: Thank you, Dr Lee. May I now invite **Mr Vira Rojpojanarat, Deputy Permanent Secretary of the Ministry of Culture, Thailand.**

MR VIRA ROJPOJCHANARAT: Your Excellency, Dr Patrick Ho, Excellencies, distinguished participants, ladies and gentlemen. On behalf of the Minister of Culture, Thailand, allow me to express my appreciation to the Hong Kong Government for organising this very significant chapter of our Asian history. As the year has gone by since the last forum here, we have seen the turning of so many new pages full of co-operation spirit to have our cultural diversity and differences serve as a great source of strength and potential.

Thailand



The theme of the forum, 'Creative Asia', is an appropriate agenda for our consideration. I trust that as a result of our deliberations in the coming days, a meaningful and constructive idea enhancing partnership between governments and promoting private sector initiatives will be attained.

History has shown the rise of great Asia. For thousands of years, Asia is the cradle of rich culture, artistic values, skills and talents, which have been learned and passed on from generations to generations. None can deny the legacy that the Asian civilisation has handed down to the world. There are a lot of things we can learn from the seeds of religion, philosophy and scholarly teachings of our great Asian thinkers. We, in Asia, can draw so much from our culture and civilisation and make use of cultural diversity to invent and build our Asian economies.

CREATIVE INDUSTRIES IN THAI FLAVOUR

At this point, I would like to refer to some kinds of creative industries recently promoted by the present Thai Government, using raw materials and resources available in the locality and combined with the local folk wisdom passed on from generations to generations in various categories.

In terms of policies, the government has established various projects to support the development of creative industries including the One Tambon, One Product project (OTOP), the Bangkok Fashion City and the Kitchen to the World schemes respectively. These cultural goods, drawn upon the local knowledge and ingenuity of Thai villages, regions and the entire nation, are created by the private sector through the home-grown skills and expertise. The government has provided them with technical assistance and advice to enable them to produce their products more effectively and of higher quality. They have to pay attention to make their products attractive to consumers to serve their demand. Once they have improved the quality of their products and remained at the world standard, the government has helped in marketing products all over the country and around the world on the principle of 'local link, global reach'.

“ *The Bangkok Fashion City project aims at transforming Thailand into a global fashion hub by the year 2012. The three fashion collections actually showcase the talent, creativity and adaptability of Thailand’s designers with works ranging from trendy chic, avant-garde to classics.* ”

Now, allow me to mention the three kinds of creative industries the government has devoted a great deal of intention with a view to bringing our rich heritage and unique cultural charm to the world. The first one is the Bangkok Fashion City project aiming for visitors to buy stylish and high-quality fashions and accessories, namely garments and textiles, leather and footwear as well as gems and jewellery. As a matter of fact, a popular purchase is Thai silk, a valuable trade commodity dating back to the 17th century.

In more recent times, we owe a debt of gratitude to Her Majesty Queen Sirikit for the vision and tireless effort to promote Thai silk and sericulture. The Bangkok Fashion City project aims at transforming Thailand into a global fashion hub by the year 2012. The three fashion collections actually showcase the talent, creativity and adaptability of Thailand’s designers with works ranging from trendy chic, avant-garde to classics.

Another one is the Kitchen to the World scheme. This reflects a culture which has undergone more than 700 years, as written on the stone inscription in 1253, ‘There is always fish in the water and rice in the paddy fields.’ It shows the richness of food resources as superb ingredients for Thai kitchen.

As you may be aware, Thai cuisine has become familiar to the world, and most people can order comfortably from a Thai menu, or quote favourite dishes such as Tom Yum Kung or Pad Thai. Thai food promotion campaigns are held globally, supported by the Ministries of Foreign Affairs and Commerce through trade centres and Thai restaurants overseas. Here in Hong Kong we have 56 Thai restaurants. We facilitate the procedure for Thai cooks to obtain work permits when applying to work abroad.

Next come the OTOP products, which seem to be the highlight of our existing cultural products. Since 2002, Thailand exhibitions all over the world have mostly included a full display of products produced by the kingdom’s theme of ‘One Tambon, One Product’. Tambon is what might be defined as a village and represents a small area of a province. OTOP branding was initiated to promote greater visibility and awareness for native products that are regarded as distinctive cultural icons, symbolic of each district.

The range of OTOP products covers the whole regions, provinces and districts reflecting all facets of Thai life, particularly traditions, folk wisdom and other various fascinating aspects of Thai cultural heritage, such as traditional textiles, handicrafts and gift items, cuisine, herbal products. The introduction of a star rating has been awarded to each tens of thousands of items, from about 58,000 villages all over the country. A five-star rating marks the best in the category. Let me also inform you that the benefits from selling the product go directly to the villages. For the first year of its introduction, its total sale was about US\$200 million. Two years, more than threefold, to US\$700 million. The scheme generates income, jobs and productivity. In this respect, we can help improve the quality of life of rural people and introduce our top-quality cultural products to the world.

INTRODUCING BUDDING TALENTS

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
“ *I am confident in the inner strength of Asia. The Asian values and all of the potentials are already in us. Indeed, the creative age belongs to all of us in Asia.* ”

At this point, I wish to draw your attention to another project initiated by the Ministry of Culture. The project, known as the Art Market, was launched early this year, in order to promote and support new generation artists to have a forum to express themselves and present their works to the public. Thus, there is a channel for the middle income group to own quality artworks and a place for artists in the society. It also serves as a platform for artists to develop their skills and to advance their career in the international arena.

Activities include exhibiting and selling creative artworks: painting, printing, photo, sculpture, pottery, production design and textiles at reasonable prices; secondly, demonstration of art techniques by famous artists and emerging artists to exchange and transfer skills to others; thirdly, presenting 'Best Artist Award' during the Market; and fourthly, organising roundtable discussions on the prospects of contemporary art in Thailand. The Art Market is open every weekend at the National Art Gallery, Bangkok.

In constructing and maintaining cultural creativity, I believe the government must provide the people with a complete cycle of assistance and support. The rest should be up to the private sector. We can say that the private sector plays an indispensable role in creative industries. In this respect, among the governments in Asia, we can offer investment opportunities in creative industries as well as further integrate our cultural economies at the regional level. This is the time for Asia to reach out for the new horizons of partnership, based on our common cultural values and diversity. With China, Korea, Japan, ASEAN and the rest of Asia, we have a market of more than half of the world population. We can further forge strategic partnerships in order to gain greater bargaining power in the international arena for mutual benefit and prosperity.

In this connection, as all of us may be aware, according to the framework programme on ASEAN-China cultural co-operation in Yogyakarta in September 2004, cultural enterprise and creative industry can be developed in three programmes. Firstly, product development through research, development and promotion of cultural goods and services of ASEAN and China. Secondly, market exchange through fairs, showcases, exhibitions and other activities to promote cultural products penetration between ASEAN and China. Thirdly, capacity building through training, education and exchange programmes for experts in the cultural enterprise and creative industry. I am confident in the inner strength of Asia. The Asian values and all of the potentials are already in us. Indeed, the creative age belongs to all of us in Asia.

To conclude, I wish to propose an Asia Cultural Market to be held as part of the activities in the third Asia Cultural Co-operation Forum. And also on this occasion, a catalogue of our artistic creation from different countries in Asia is published. In this matter, such activities will serve as a means to strengthen exchange and co-operation among us, as a springboard for a concerted effort towards an Asian partnership in cultural industries and as a key to promote private sector initiatives. With that, I end my remarks. Thank you very much. 

MS LOLLY CHIU: Thank you very much. May I now invite His Excellency, Dr Dinh Quang Ngu, Vice Minister for Culture and Information, Vietnam. Dr Dinh, please.

DR DINH QUANG NGU: Your Excellency Mr Sun Jiazheng, Minister of Culture, the People's Republic of China; your Excellency Dr Patrick Ho, Secretary for Home Affairs, Hong Kong Special Administrative Region; Your Excellencies, Ministers and leaders of Asian cultural delegations, distinguished delegates, ladies and gentlemen.

Viet Nam

I would like, first of all, on behalf of the Ministry of Culture and Information of Viet Nam to extend to the Ministers for Culture, the heads of cultural delegations coming from Asian countries as well as to all of you who are present here our best wishes.

I would also like to express our sincere thanks to his Excellency Dr Patrick Ho and his colleagues from the Hong Kong Special Administrative Region for the wonderful initiative of hosting the second Asia Cultural Co-operation Forum, which is held under the theme, 'Asia in the Creative Age'.

We consider this an excellent opportunity for us to exchange views and experience a continuing development of cultural industries in each country and region of the whole of Asia.

VIET NAM'S NEW CHALLENGE TO CULTURAL INDUSTRIES

For Viet Nam, with its fast-growing economy, the cultural industries are also under the process of restructuring and reorganising in order to reach the aims of producing and providing the market with more cultural products and cultural services meeting the increasing needs and demands of our people in the context of the country's renovation and openness process.

However, the concept of cultural industries or creative industries has appeared in Viet Nam quite recently. Until now, there was no official or united definition of 'cultural industry'. In Viet Nam, our cultural and creative industries are only in the first step. Therefore, we highly appreciate the regional and international co-operation in this field, and our forum could provide good platforms for learning and exchanging experiences in creative industries, both theoretically and practically.

The structure of creative industries in Viet Nam consists of activities in the following fields: architecture, fine arts and galleries, handicrafts, museums and relics, performing art, design, radio and television broadcasting, films and video, publishing and printing.

Apart from that, some researches have included also such activities as cultural equipment and cultural products, cultural services, digital entertainment, software and even computer technology in the list of the creative industries in our country. The researches on cultural industries in Viet Nam have found that the cultural industries could have great socio-economic impacts. However, the size of cultural business in Viet Nam is still small and modest.

In our country, Viet Nam is carrying out the process of renovating and structuring its cultural business sector with some following main directions.

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Firstly, enhancing and speeding up the sharing of the state-owned cultural enterprises, encouraging establishment and development of the private cultural sector.

Secondly, building several strong and big cultural enterprises based on sharing contributions between state and private sectors, including home and foreign investment.


Thirdly, providing new and advanced knowledge and skills and management of the cultural business sector.

Lastly, building and applying a new mechanism, aiding and facilitating the development of the cultural business sector through policies on tax incentives, infrastructure, capital, technology and joint venture with different home and foreign economic sectors.

Excellencies, in order to provide you with more detailed information about our creative industries, we have circulated, through the forum's secretariat, the presentation on Viet Nam's cultural industries.

Due to the time limit, at this meeting we have given you just a briefing on creative industries in Viet Nam and our views on solutions aiming at enhancing the development of cultural industries.

From this forum, we would like to express our wish and readiness to strengthen and enhance our co-operation in development of creative industries with all of our Asian countries and regions.

May I wish all of you good health, happiness and success, and thank you for your attention. 

MS LOLLY CHIU: Thank you. May I now invite **Dr Patrick Ho, Secretary for Home Affairs of the Hong Kong Special Administrative Region, the People's Republic of China**. Dr Ho, please.

DR PATRICK HO:

Hong Kong

Honourable Ministers, ladies and gentlemen. For a very long time in history, Asia was the world's centre of creativity. The oriental values that our ancestors developed thousands of years ago gave rise to the creation of institutions, conventions and practices that made possible the prosperity and greatness of our past glories. Unfortunately, with the Renaissance, our western counterparts overtook us 500 years ago. The world's centre of creativity has shifted westward since then. And Asia, fallen from the leading position, has been playing the catch-up game until now.

OCCIDENTAL CREATIVITY

In our earnest bid to match the western world both culturally and economically, Asia reluctantly gave away a lot of our traditions and indigenous values in the hope that the sacrifice would bring us progress and growth. No doubt this strategy did bear fruit. We have reaped enormous economic benefits. The living standards across Asia have been improved tremendously. Asians are also much better educated and well off. Notwithstanding the success of this catch-up strategy, it seems inadequate in this world of globalisation and digitisation. We need to rediscover creativity and build our future firmly on the formation of a creative economy, a creative society, and ultimately, a creative Asia, just as our ancestors did in the ancient past.

“ *So what is creativity and where does it come from? The simple answer is that creativity lies in our culture. In the absence of a strong and coherent culture, creativity could seldom thrive on its own. A society with insufficient cultural depth may spring off a few geniuses by accident, but it could never nurture creativity on a massive scale.* ”

So, what is creativity and where does it come from? The simple answer is that creativity lies in our culture. In the absence of a strong and coherent culture, creativity could seldom thrive on its own. A society with insufficient cultural depth may spring off a few geniuses by accident, but it could never nurture creativity on a massive scale. It is the prevalence of creativity that helps build, over time, a strong nation and a vibrant economy.

Creativity also originates from the core values that a society holds. Christianity and the western values underpinning it, of tolerance, freedom and emphasis on the rights of individuals, shape creativity of the western world, which I will call the 'occidental creativity'.

In my view, the occidental creativity is the cradle of the awakening of the modern West. It provides the inspiration for our western counterparts to establish the modern world with all the underlying laws, institutions, conventions and practices.

But, creativity is not a monopoly of the western world. Being part and parcel of human instinct, creativity exists everywhere. It may take a different form, and it may be equally if not more useful and powerful in its contribution to our civilisation. While in the past, the abundant source of creativity of Asian culture escaped our attention, the core values of Asia – harmony, co-existence, discipline and respect for collectivity – have gradually and subtly given birth to a different sort of creativity, which I call the 'oriental creativity' or 'Asian creativity'.

It is against this backdrop that the recent rise of creative industries gives an extra impetus to maintain our regional distinctions. Culture is now one of the strongest means for us to position ourselves in the world consumer market. Our cultural image becomes an element of wealth creation. I am sure that all of us here are endeavouring to maintain and refresh our own cultural images.

In a practical sense, our differentiation is made through comparison and contrast. Our common historical ties have given us a regional identity which we cannot do without.

In face of rapid globalisation and the advent of the knowledge economy, the concept and content of competitiveness is given new meanings. With the advent of globalisation, the power and influence a city hinges not entirely on military might or economic strength in the traditional sense. The defining force has shifted gradually to cultural depth that a city is able to generate. In the absence of a strong culture, what we have achieved in economic terms would be ephemeral, fragile and vulnerable, lacking the depth and breadth to weather the storms and uncertainties that are part and parcel of a highly globalised world.

THE WILL TO A CULTURAL ALLIANCE

We need to build a community that is creative, cohesive and resilient through arts and culture, through the preservation of our heritage and through articulation of our historicity, so as to provide a constant source of inspiration, to propel our economy to thrive and advance in face of fierce competition from different parts of the world.

In response to challenges of the new age, Asia must form a cultural alliance based on our own heritage and goodwill for regional harmony and prosperity. Only in this way could Asia

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“ *The unique features of creative industries provide a rare opportunity for the developing countries to compete on equal grounds, i.e. on culture and creativity, with the developed economies.* ”

present itself strongly to the rest of the world. Just as there is economy of scale in industrial production, there is also economy of scale in cultural co-operation. If political muscle and military might constitute the hard power in the context of international competitiveness, the way we co-opt ourselves the oriental values that we all believe in and the image we present ourselves internationally are the essence of our soft power. This soft power is crucial to countries' national standing and contributes significant to its national security, regional peace and sustainable prosperity.

In order to reinforce the soft power of Asian culture, we must nurture creativity. As a core ability of mankind, creativity has been and continues to be our intangible asset to create something new, innovative and valuable.

Creativity has been the subject of research by psychologists, sociologists and cultural theorists who are interested in studying the origins of the creative mind and creative activities particularly within the domains of cultures and arts. Recently, there has been growing interest among economists in the research of creativity and the growing body of literature in which creativity is viewed as generator of innovation and source of entrepreneurship.

It is no wonder that creative industries are widely regarded as the driving force of economic growth in the coming decades. More and more economies around the world, in particular the advanced ones, are focusing on creative industries.

Unlike traditional industries, creative products are driven by desire and not by physical need. They are the things we want, not necessarily the things we need. Desire can be cultivated, deeply rooted in the culture of a particular society, value dependent, and can be influenced, such as through the media and marketing strategy. The unique features of creative industries provide a rare opportunity for the developing countries to compete on equal grounds, i.e. on culture and creativity, with the developed economies.

TO UPLIFT A CREATIVE ECONOMY

In the light of the growing importance of creative industries, a number of economies in the world, Hong Kong being one, have conducted baseline studies to map out the basic facts. Measured in terms of gross domestic product (GDP), creative industries dwarf in the face of other heavyweight sectors. In Hong Kong, creative industries account for slightly less than four percent of our GDP in 2001, a hardly impressive share.

The GDP figure, however, depicts only part of the picture. Like the delicate cream on a piece of cake, it is always the creative parts that add most value to services and products. A T-shirt, being a commodity, is worth only a few dollars, but the same T-shirt with the logo of, say, Hello Kitty, could be worth far more.

The baseline studies that have been completed so far primarily zero in on measuring the GDP contribution of creative industries. While useful, this only surveys the downstream aspects of a creative economy.

What we want to know more is what makes a society creative and hence enables creative

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industries to flourish. This calls for a scientific survey of the upstream aspects of society, the values, institutions, practices and customs that attract creative talents and creative enterprises to come to our cities, make home there and develop their creative businesses.

On this account, we are inevitably let down by conventional studies of national competitiveness, such as the World Economic Forum Growth Competitiveness Index, the Heritage Foundation Index of Economic Freedom or the IMD World Competitiveness Index, etc.

They fail in fully measuring the features that characterise a creative economy. Creative talents are fluid. They move around in search of places that suit them most. They are IT savvy, so the availability of state-of-the-art IT infrastructure and services is indispensable. They are pluralistic. Hence a society with a high degree of tolerance and a diversity of social and cultural activities is a magnet to creative people.

In a nutshell, creative talents tend to be attracted to and stay in places with a set of characteristics, the most crucial of which include the free flow of information, capital, talents and goods, guaranteed by the presence of a free and open society underpinned by political stability and a high degree of transparency in public affairs; the rule of law and full protection of copyrights, as well as a clean and efficient government; an embracing society which cherishes tolerance, plurality and diversity, allowing divergent views to co-exist peacefully; and a rich and vibrant culture, encouraging different forms of artistic creation in various spectra of the community.

URGENT CALL FOR A CREATIVITY INDEX

There is clearly a pressing need for developing a set of scientific tools to measure the creativity of our cities. Only by doing so could we disentangle the effects of various factors and draw parallels for comparison with our neighbouring cities. Together with other major cities in mainland China, Hong Kong is ready to pursue a creativity agenda.

The compilation of a Creativity Index should measure creativity fully, having regard to both the occidental and oriental aspects. Through a common creativity agenda, we believe that we can build up our creative societies and strengthen our creative alliance. The Creativity Index will consist of five 'Cs': creative outputs and outcomes, human capital, structural/ institutional capital, social capital and cultural capital. These include hard and quantitative indicators such as trade volume and other statistics, as well as soft and qualitative indicators which measure attitudes and values.

My colleague will later present the details of the study on Creativity Index.

Ladies and gentlemen, meeting you in this tall building facing the harbour which opens to the Pacific Ocean, I dream of a creative Asia, an Asia with ideas and values to inspire humanity. Since the last time we met, we have talked, we have argued, we have agreed and disagreed, we want this to continue, so that this dream of a creative Asia will one day come true. I am sure the rediscovery of creativity in Asia signifies the awakening of modern humanity befitting another Renaissance of the present time. Thank you very much.

MS LOLLY CHIU: Thank you, Dr Ho. My colleague, **Mr Fong Ngai**, Assistant Secretary for Home Affairs, will now give a presentation on Hong Kong Creativity Index. Mr Fong.

MR FONG NGAI: Honourable Ministers, ladies and gentlemen, last year the Hong Kong Government has completed a baseline study on Creativity Index. Just now, Mr Bae from Korea and Mr Jardin from The Philippines mentioned about the importance of statistics in the creativity agenda. This year, we have embarked on a follow-up study to measure creativity, the Hong Kong Creativity Index.

Globalisation has transformed the socio-economic landscape of the world. In particular, it has heightened three levels of competition among countries and cities.

Countries and cities compete for foreign investment and global talents and for maintaining their edge in global finance, economic, cultural and tourism resources.

Firms compete with others in local and global markets for producing high quality of goods and value-added services in a more effective and efficient way.

Individuals compete in a more competitive international labour market than before, and they are required to master a broad range of skills and abilities to generate new knowledge.

These three dimensions of competition, however, imply the importance of creativity as a generator of innovation, substance of competitiveness, and source of new knowledge and inventive act.

To evaluate the effects of globalisation and the underlying features of such socio-economic transformation of a place, policy-makers need to develop a new framework of measurement, for assessing contribution of creativity to competitiveness; illustrating in what ways societal transformation has taken place; and explaining how creativity's positive effects on society could be sustained.

SOURCING EFFECTIVE EVALUATOR FOR CREATIVE INDUSTRY IN ASIAN CONTEXTS

Conventional studies of national competitiveness, such as the World Economic Forum Growth Competitiveness Index, the Heritage Foundation Index of Economic Freedom, the IMD World Competitiveness Index, provide us with tools to assess the overall competitiveness of a country, but they cannot satisfy our need to pinpoint the key contributors to innovation and the role of creativity in a society.

In the United States, Professor Richard Florida has produced a pioneering work on the relationship between creativity and economic prosperity in 2002. In his book, *The Rise of the Creative Class*, Florida explains the regional advantage of an individual place in terms of the three 'Ts': Technology, Talent and Tolerance.

“ We believe that outputs of creative acts measured in non-monetary terms are equally important signals of the vibrancy of creativity, and the institutional or infrastructural conditions are vital to the socio-economic development of a place. ”

“ The Hong Kong Creativity Index builds on five 'Cs'... the manifestations of creativity, meaning the outputs/outcomes of Creativity, the structural and institutional Capital, human Capital, social Capital and cultural Capital. ”

The core argument of the three 'Ts' framework says that the creative class is concentrated in a place that is diverse, tolerant and open to new ideas, and the presence of creative capital in a region would lead to higher rates of innovation, high-technology business formation, job growth and economic prosperity.

Florida has also extended the three 'Ts' framework to the European context and compiled the Euro Creative Index in 2004 to compare 14 European countries with the United States.

The Asian contexts. The financial, economic and social structures of Asian countries may lead to different paths of socio-economic development from the West. Some Asian countries are relatively more dependent on foreign direction investment for economic development, while others are driven by high-tech industries. Economic development thrives on the service economy in some economies, and on high-tech industries in others. The small and medium enterprises are the sources of economic innovation and entrepreneurship in most Asian countries.

Florida's analytical framework emphasises the economic dimension of creativity, but we believe that outputs of creative acts measured in non-monetary terms are equally important signals of the vibrancy of creativity, and the institutional or infrastructural conditions are vital to the socioeconomic development of a place. Lastly, the social and cultural values are an important contribution to the growth of creativity as well.

CREATIVITY INDEX ASSESSES CREATIVE VITALITY

Two months ago, the Hong Kong SAR Government has commissioned the Centre of Cultural Policy Research of the University of Hong Kong to devise a framework for the Hong Kong Creativity Index. The objectives of the study are to demonstrate the multi-faceted manifestations of creativity in a society, to illustrate the interplay of various factors that contribute to the growth of creativity; to construct an indexing system which could serve as criteria for assessing creative vitality of an economy; an integrated indicator for sustainable growth in the creative sector of an economy; a reference for overall policy-making and decision-making for investment, travelling and residence; and finally, as a basis of international comparison.

The building blocks of the Hong Kong Creativity Index. It builds on five 'Cs', as Dr Ho just mentioned: the manifestations of creativity, meaning the outputs/outcomes of Creativity, the structural and institutional Capital, human Capital, social Capital and cultural Capital.

The four forms of capital are actually mutually reinforcing. They are multifaceted and dynamic determinants of the growth of creativity. The accumulated effects of these determinants are the variegated outcomes of creativity.

Creative activities generate not only economic outputs but also outcomes shared and transacted among people. Economic outputs stand for the growth of creative economy, but other inventive outcomes present vitality and vibrancy of creativity.

Our framework will measure the economic contribution, the inventive activity of the economic sector and the non-economic returns of creativity. We will be measuring, say, the economic contribution of creative industries and the SMEs, the trade volume of creative industries, the

productivity growth of an economy, the number of patents per population, numbers of arts and cultural programmes presented, etc.

Structural and institutional capital. There are some conditions that provide a context in a community where creativity takes place. These conditions also determine the conditions of utilisation and distribution of other forms of capital.

We measure six types of societal conditions that are contributors to the growth of creativity in the community: the legal system, freedom of speech, intellectual property rights, information/communication technology infrastructure, social and cultural infrastructure, entrepreneurship and financial structure.

“ *While technology and talents are indispensable assets of the creative economy, whether a city has a social environment which attracts, mobilises and sustains creativity is equally important.* ”

Human capital. Human capital is crucial for the growth of any economy. Moreover, high mobility of human capital will facilitate cultural exchange, transfer of skills and knowledge as well as generation of new ideas in a society.

Our human capital framework will measure two sets of conditions in support of human capital development: the extent of a community to provide a favourable context for the development of a 'knowledge bank'. Possible indicators may include research and development investment and higher educational attainment of the working population.

Second, the mobility of human capital and population. Possible indicators may include the number of transient population or mobile working population, foreign workers, students studying abroad, number of arrivals and residents' departures as well as emigrants. We believe that a wide spectrum of talents, each making his or her own unique contribution to a society, will sustain the vibrancy of creativity in an economy.

While technology and talents are indispensable assets of the creative economy, whether a city has a social environment which attracts, mobilises and sustains creativity is equally important. Social capital, in terms of trust, reciprocity, co-operation and rich social networks are conducive to the enrichment of collective wellbeing, social expression and civic engagement. All these in turn enable individual and collective creativity to flourish.

PRECURSOR TO OUTLINE CULTURAL ENVIRONMENT

We will measure nine aspects of social capital, including: generalised trust, meaning a general sense of trust of a place one lives in; institutional trust, a trust of specific institutions, say, the government, the non-governmental organisation sector (NGOs), the media or big corporations; reciprocity, the extent to which people are ready to contribute to the community at the expense of their private interests; sense of efficacy, people's assessment of how much they can influence the events in their community; co-operation, how ready are people willing to co-operate and help each other; attitudes towards the minorities, meaning the ethnic, homosexual, etc.; espousal of modern values, such as rational, open, forward-looking, belief in accountable procedures, receptive to different opinions, etc.; self-expression, the degree of freedom of expression in a society; and participation in social activities.

“ *We believe that a pluralistic cultural environment embracing and appreciating cultures of different natures enhances the vibrancy of creativity.* ”

We believe that the higher the measurement of these factors, the greater the stability of development of a city socially and politically, which in turn provides a positive environment for creativity to flourish.

Cultural capital. We also believe that a social environment conducive to cultural participation produces new ideas and expressions and hence enhances creativity in a broad sense. In our study, cultural capital refers to the more specific activities and qualities relating to culture, the arts and creativity in our everyday lives.

We measure three broad aspects of cultural capital in the community: the public sector's and corporations' resources commitment to the development of culture and the arts; measures of cultural norms and values placed on creativity, the arts, arts education and intellectual property rights protection; and measures of the extent and level of cultural participation in the community. Possible indicators may include public expenditure on arts and culture, attitudes towards arts and culture in general and arts education in specific, as well as the participation rate of the general population in different forms of cultural activities.

We believe that a pluralistic cultural environment embracing and appreciating cultures of different natures enhances the vibrancy of creativity.

The Hong Kong Creativity Index comprises an overall ranking and five composite indices corresponding to the five 'Cs', equally weighted. The index will become a precursor to show the overall status and underlying features of creativity in the community. The index will also demonstrate the community's relative strength in socio-economic and cultural conditions that are favourable for the growth of creativity. It will also provide a database for the further development of a creative society and highlight the needs of collecting new data which could be regularly presented in our national accounts, social and cultural statistics.

We are now in the process of collecting the relevant data and undertaking a survey for the study, and we expect to complete the study early next year.

We wish to take this opportunity to encourage the participation of major Asian economies here in a study of an Asian Creativity Index. We will compile the Creativity Index regularly for the assessment of a city's creativity vibrancy over time.

I have indeed just now received a printed copy of the interim report on the Hong Kong Creativity Index. Please feel free to take a copy after lunch, and the full report will be forwarded to the respective countries early next year. Thank you very much. 🌈

MS LOLLY CHIU: May I also take this opportunity to brief you on a mega-cultural project which at the moment is the talk of the town: the West Kowloon Cultural District project. We will show two short videos, to be followed by an update on the project by my colleague, **Mr Vincent Fung, Principal Assistant Secretary for Home Affairs**.


(Video shown)

MR VINCENT FUNG: Ladies and gentlemen, thank you for watching this video. In actual fact, the West Kowloon Cultural District is right behind us. After the meeting, if you have time, you can just go to the window and you can see that the piece of land is right on the opposite side of the harbour.

I would like to brief you generally on the latest position of this project. Last September, we issued an invitation for proposals to international firms and extended an invitation to them. The invitation closed in June 2004, and we have received five proposals.

Since then, the government has conducted a series of assessments internally, and now we have brought in three of them. The next stage will be a public consultation exercise that we will be running, to invite the public to give their views on the conceptual design and the mode of operation of these proposals.

We hope that, through full public consultation, we can get the public views on how to make this project commercially viable, to let the public express how to make this project better and to see anything that we may overlook.

So permitting any questions, I am happy to answer. Thank you. 

MS LOLLY CHIU: Dr Lee?

DR LEE BOON YANG: Ms Chairman, may I ask Mr Fong, in your request for proposal, what was your specification or your reference to the developer? Are the developers to operate the cultural facilities after they have been developed, or to develop and then hand them over to the city, to the administration or to the Home Affairs Bureau, for example, to operate once it becomes a public facility, or are the developers committed to the long-term operation of these cultural facilities?

MR FONG NGAI: Yes. Maybe I can explain a bit further. On making the invitation for proposals, we divided the proposal into three parts. We required proponents to give us a technical proposal on how to build it; the operation and management proposal on how to operate, manage and maintain it; and also the financial proposal, how to make this plan financially viable and the ability or the capability of the proponents.

So in each of these proposals, we provided details and guidelines that they need to convince the government on various aspects, how to run and operate this and also to make it financially available.

DR LEE BOON YANG: Could I seek a clarification: is it a three-envelope proposal or is it a single-envelope proposal? Do you look at the three sectors as separate and evaluate each one on its own before proceeding to the next level, or do you open up the whole proposal that they offer and consider it as one proposal, the financial, the operation and the development?

MR FONG NGAI: We separate these three proposals, and colleagues from various departments handle these proposals individually.

MS LOLLY CHIU: If there are no questions, I would like to thank all participants for joining in this very interesting and stimulating discussion.



Welcome Dinner
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