

THE EVOLUTION OF FOREIGN TRADE WITH CREATIVE GOODS AND SERVICES OF THE EUROPEAN UNION AND THE REPUBLIC OF MOLDOVA - AS A FUTURE MEMBER OF THE COMMUNITY

DOI: <https://doi.org/10.53486/dri2025.19>

UDC: 339.56(478:061.1EU)

Mariana DAMASCHIN

Academy of Economic Studies of Moldova,

damaschin.mariana@ase.md

ORCID ID: 0009-0005-1151-5952

Abstract: *The study is based on tracking the evolution of the notion of creative industries from its appearance so far and the connection with other industries, such as cultural and digital. Continuous research with the exposure of one of the most popular classification of creative industries, identified based on their "usefulness"; as well as, the analysis of the evolution of foreign trade in creative goods and services (the value of foreign trade with creative goods / services, the average annual rate of increase of foreign trade with creative goods / services, the share of foreign trade with creative goods / services in the total trade of goods / services, the weight in the world trade of creative goods, the structure of creative goods) of the European Union and of the Republic of Moldova. The results of the study demonstrate the resilience and sustainability of creative industries during the periods of economic crises and confirm the importance of implementing the policies promoting creative industries. At the same time, the presence of fluctuations was identified, both during the 2015-2023 analysis period and within the EU community, demonstrating that, despite the stimulation and investments available at community level, not all countries show a major interest in increasing creative industries. The research ends with the formulation of conclusions regarding the evolution of foreign trade in creative goods and services during 2015-2023, and recommendations at the level of the Republic of Moldova, EU, the governments of the interested countries and the community.*

Keywords: *creative industries, creative goods, creative services, foreign trade, EU accession.*

JEL: F15, O14, O52

1. Introduction

In recent decades, technological and digital changes have reached an accelerated pace. Both in Europe and other regions of the world, the quick introduction of new technologies and the growth of globalisation have led to a radical transition from traditional production and innovation processes. Gradually, creative communities replacing classic factories that have imagination and the ability to innovate as raw materials. The ability to create experiences and social networks is currently a competitive factor (European Commission, 2010).

Nations around the world reassess their own approach to cultural policies, how creative industries are positioned and supported, moving from the typical approach - culture for economic growth and competitiveness, to more progressive approach - culture for sustainable development, stability and inclusive growth. This fact is also due to the Covid-19 pandemic, as well as to the Ukraine war, which have brutally unmasked the structural fragility of creative culture and industries, while demonstrating, how important these sectors are for the well-being, identity and security of a society. In addition, during this period of uncertainty and crisis, new valuables and proposals are required for the role of these sectors in society; respectively, it is necessary to reconceptualise a different type of economy and society that appreciates culture and creative industries as part of its foundation, with an essential status for its resistance. This is an economy that supports various creative talents to prosper and, therefore, encourages the creation of values and innovations in terms of health and well-being, community and locality, sustainable development (Government Decision no. 187, 2024).

The European Union wants to remain competitive in this changing global context, which is why it must create necessary conditions for innovation and creativity to develop within an entrepreneurial culture.

This research aims to compare analysis of foreign trade in creative goods and services of the European Union (EU) and the Republic of Moldova (R. Moldova, RM) and identifying directions to take over the good practices of accelerating the local creative economy.

In the context of the National Action Plan for EU accession, research includes several objectives: identifying categories and subcategories of creative industries, recognised at the EU level, by exposing the most important notions; classifying creative industries; dealing of the evolution trends of the volume of foreign trade in creative goods and services, the rates of external trade, the share of foreign trade in the world trade with creative goods and services of the EU and the Republic of Moldova, the disintegration of foreign trade on subcategories. In order to reach the proposed purpose, qualitative research methods were used, such as observation, document analysis, synthesis, deduction, and quantitative methods, such as quantitative analysis, comparative statistics, etc. The basic sources served the statistical databases of UNCTAD, BNS of Moldova, UNESCO, Eurostat.

2. Basic content

The notion of "**creative industries**" was first used at an official level in 1994 in the Australian Report, entitled "Creative Nation", with the mention that this cultural policy is also an economic policy, and that culture creates wealth. Australian cultural industries generated at that time 13 billion dollars per year, 336 thousand Australians were employed in industries related to creativity and culture, which made an essential contribution to innovation, marketing and design, attracted tourists and students, and was essential to the economic success of the creative country (Sanchez Serra, 2015; Commonwealth of Australia, 1994).

The UK Labour government presented one of the most popular definitions in 1998, in the set of "Creative Industries Mapping" documents, which focus on describing the Creative Industries as a set of economic bodies that employ creativity, skills and personal talents to create wealth and jobs (Creative Industries Mapping Documents, 1998). The set consists of 13 creative industry mapping documents (Advertising, Antiques, Architecture, Crafts, Design, Fashion, Film, Leisure Software, Music, Visual Arts, Publishing, Software, TV and Radio) and aims to raise awareness of the industries, their contribution to the economy and the issues they face.

The definition of „creative industries” remains a matter of considerable inconsistency and disagreement in academic literature and policymaking environment, especially regarding the parallel concept of „cultural industries”. Sometimes a distinction is made between creative and cultural industries, sometimes the two terms are used interchangeably. In addition, due to the importance of digital content and online services in the creative sector of the economy, the term „creative and digital industries” is increasingly used. For example, the digital sector is one of the fastest growing industries internationally. Both theoretically and practically, it is quite easy to confuse the creative economy with the digital or cultural economy. Equally, it is almost impossible to separate them, as in many ways they depend on each other. The most recent notion, appreciated worldwide, was formulated in 2013 by Felipe Buitrago Restrepo and Iván Duque, authors of the book “The Orange Economy, an Infinite Opportunity” and reads as follows: “Creative industries refer to a series of economic activities that are concerned with the generation or exploitation of knowledge and information. They can also be variously called cultural industries (especially in Europe) or creative economy and most recently in Latin America and the Caribbean have been called Orange Economy (Economía Naranja)”. They explain that orange, a pigment used in ancient Egypt to decorate the tombs of the pharaohs, is the dominant colour for culture, creativity and identity (Buitrago Restrepo and Duque Márquez, 2013; Parrish).

Globally, creativity and culture account for 3.1% of global Gross Domestic Product (GDP) and 6.2% of total employment. Exports of cultural goods and services have doubled in value since 2005, reaching US\$ 389.1 billion in 2019 (UNESCO, 2022). In 2022, the creative industries generated an estimated annual global value of US\$ 4.3 trillion (UNESCO, 2023), provide almost 50 million jobs worldwide and employ more people aged 15-29 than any other sector. In the countries where they are most developed, the creative industries often generate 2-7% of GDP, in some countries reaching the

10% threshold of national GDP, and are an important driver of economic growth as governments increase their focus on the sector (UNESCO, 2019).

Since the emergence of the concept of „creative industries”, experts in the field (scientists and government bodies) have tried to classify them. There are numerous classifications, adapted according to the particularities and priorities of the regions. More usable, however, are those proposed by the United Nations Conference on Trade and Development (UNCTAD) in 2008, which was then adapted in 2022 (Figure 1).

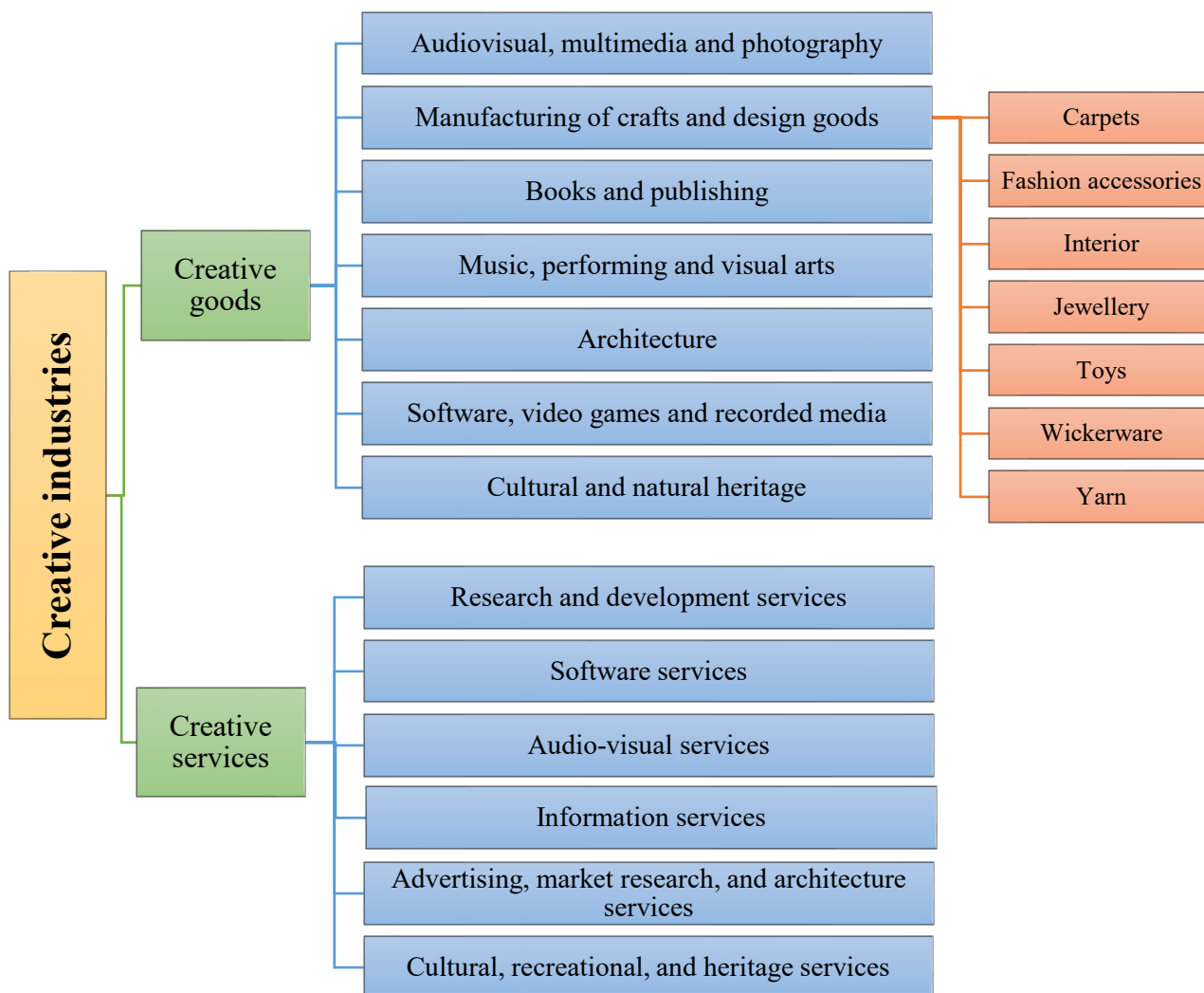
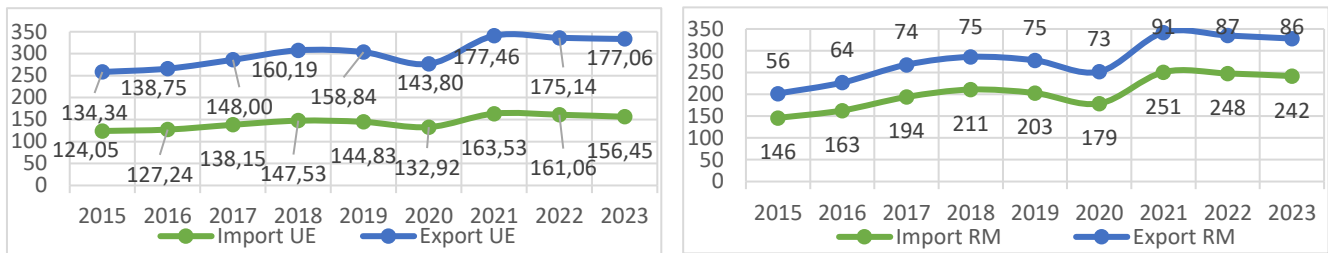


Figure 1. Classification of Creative Industries according to the UNCTAD, 2022

Source: developed by the author based on UNCTAD Creative goods matrix [11] and Creative services exports [12].

According to Eurostat, in 2019, there were around 7.3 million people working in the cultural and creative sectors in the EU-27, around 3.7% of total employment. In addition, the sector attracts women, as they constitute the vast majority of students in all cultural fields. Women make up 47.7% of employment in the cultural sector, compared to 45.9% in the total economy, and the majority have attained a tertiary level of education, higher than the number of people in non-cultural occupations. The evolution of foreign trade in creative goods and services was carried out based on statistical data provided by UNCTAD, the only database that measures progress through the Sustainable Development Goals, as established in the 2030 Agenda, which serves citizens, through the governments of the 195 countries that make up the organisation.



**Figure 2. Foreign trade in creative goods, 2015-2023,
 EU in billion US\$ and R.Moldova in million US\$**

Source: developed by the author based on UNCTAD data [11].

In Figure 2, we can notice that during the analysis period, the EU's imports and exports of creative goods recorded close values, with a slight prevalence of exports. However, the evolution was not stable, recording decreases in both flows in 2019 and 2020, which respectively led to the total decrease in foreign trade in creative goods. In 2021, the EU records a sudden evolution of foreign trade in creative goods, as do the global values, which, however, gradually decrease in 2022 and 2023. In 2023, foreign trade in creative goods and services continues to show its resilience and sustainability both at the global level and at the EU level, as well as in the Republic of Moldova. At the community level, foreign trade in creative goods recorded a positive trade balance (US\$ +20.6 billion), or an increase in exports by +1%, with a decrease in imports of almost 3%, compared to the previous year. During the period 2015-2023, the Republic of Moldova's foreign trade in creative goods recorded quite small values, compared to the leading countries in this regard (Figure 3), but increased from US\$ 202 million in 2015 to US\$ 335 million in 2022, with a slight decrease in 2023. Both the trend of exports and imports repeats the development course of EU foreign trade, which show a relevance of development, under the influence of local and international economic, political and social factors. The value of external trade in creative goods of the EU by country and the Republic of Moldova in 2023 is presented in Figure 3.

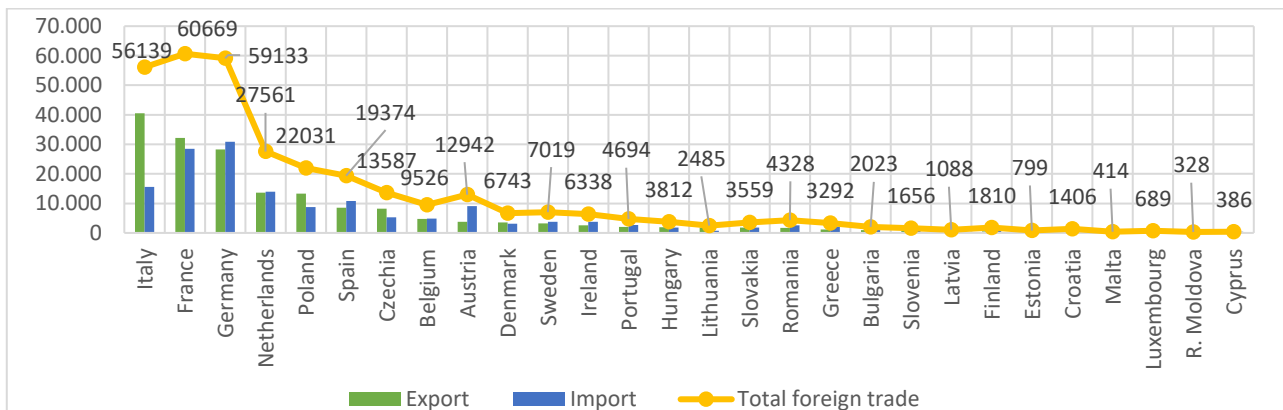


Figure 3. Foreign trade of EU and R. Moldova in creative goods by country, 2023, US\$ million

Source: developed by the author based on UNCTAD data [11].

In terms of the value of foreign trade in creative goods, France (60,669) ranked first, followed by Germany (59,133) and Italy (56,139), being the undisputed leaders in relation to the results of the other countries. If the Republic of Moldova (328) was a member of the EU, would have ranked last in the community, preceded by Cyprus (386) and Malta (414).

In terms of the value of exports of creative goods, the same countries made up the top of the leaders, but placed in other way. Italy (40,512), France (32,187) and Germany (28,318) were in the lead. Of the three leading countries, Italy (+24,885) and France (+3,705) have a positive trade balance, while Germany's trade balance is negative (-2,497).

If in 2023 the Republic of Moldova had been a member state of the European Union, in terms of

export flow (US\$ 86 million) it would have ranked 27th out of 28, surpassing only Cyprus (US\$ 27 million) and would have been placed after Luxembourg (US\$ 99 million) and Malta (US\$ 154 million). In terms of import flow, the Republic of Moldova would have recorded the lowest value (US\$ 242 million), and would have been surpassed by Malta (US\$ 260 million) and Cyprus (US\$ 359 million).

In a global context, Moldova's position remains stable throughout the analysis period (Figure 4).

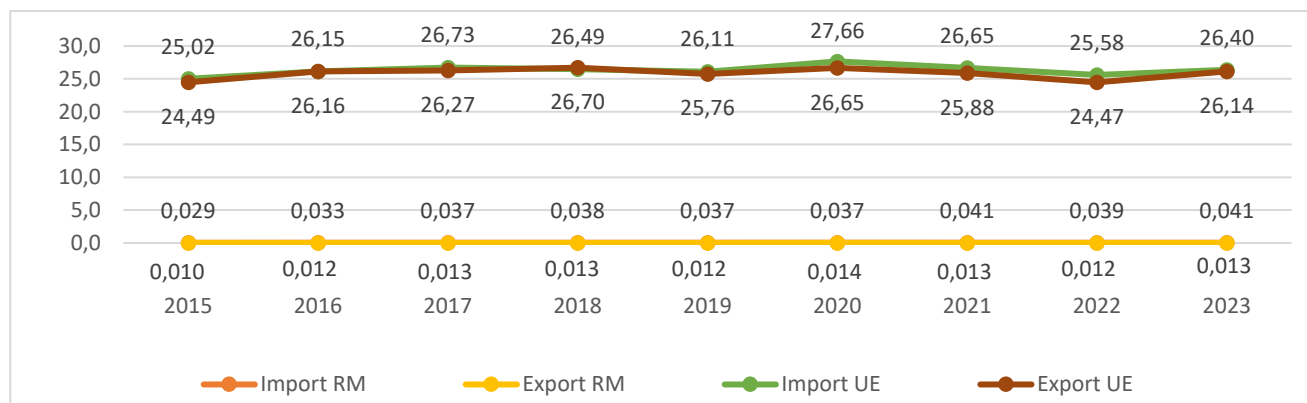


Figure 4. Share of the R. Moldova and the EU in world trade in creative goods, 2015-2023, %

Source: developed by the author based on UNCTAD data [11].

The contribution of the Republic of Moldova to trade in creative goods is minor, marking an average share of 0.01% in global exports and 0.03% in global imports of creative goods throughout the analysis period. Despite the negative evolution of the value of foreign trade by US\$ 7 million or - 2.4%, the share of the Republic of Moldova in foreign trade increased on average by 0.01 percentage points, which indirectly shows an involution of trade in creative goods at the global level, which regressed by 6%, and in the EU -3%.

In 2020, which was a year of global economic crisis, and all continents recorded negative developments in foreign trade (UNCTAD), the EU was less affected, and its share in world trade recorded the highest value in the analysis period – 27.16%, indirectly indicating that it was among the first regions to start recovering after the crisis. In 2022, the share of EU trade in creative goods with the rest of the world is approximately at the same level as in 2015 – 25%. These results are the most unsatisfactory in the analysis period. Even during the economic downturn that affected the EU in 2019, the EU share was 26%. These results placed the EU in a less favorable position for potential entrepreneurs who wanted to develop their start-ups and businesses with creative goods. In 2023, the EU share in world trade in creative goods records an increase again. This is not due to the evolution of the value of trade, but rather to the global crisis that has hit Asia and America harder. On the other hand, previous results indicate the EU's ability to gain trade ground, through policies supporting creative, cultural and digital businesses.

The favourable results in the EU's foreign trade in creative goods are not limited to the positive trade balance, but also to an average share of over 26% in the value of world trade in creative goods. However, within the EU, the trend is not positive for all countries, including the Republic of Moldova. Figure 6 presents the average annual growth rates of external trade.

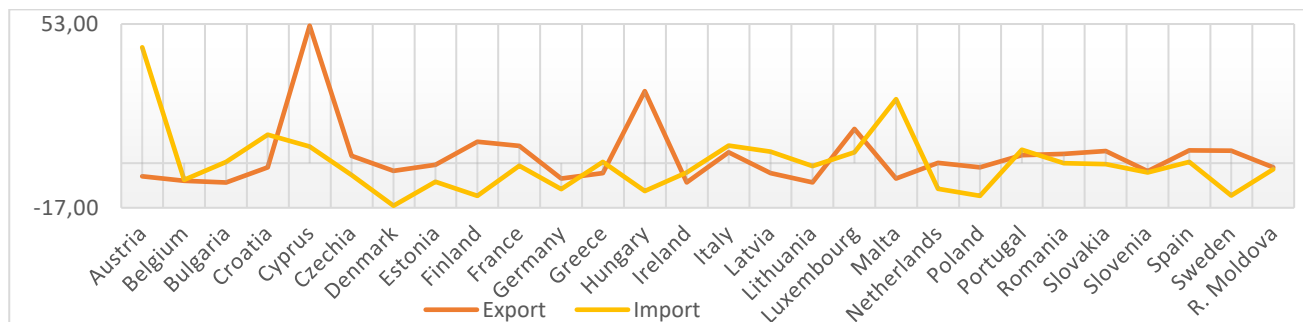


Figure 5. Average annual growth rate of foreign trade in creative goods of the EU and the Republic of Moldova, 2023, %

Source: developed by the author based on UNCTAD data [13].

Thus, it was identified that in 2023, at regional level (EU, continents, world) some indicators of foreign trade in creative goods recorded lower values than in previous years, however, some countries recorded important developments. Following Figure 5, presented above, we conclude that the economic and political crisis in 2022 generally affected foreign trade in creative goods. However, some EU states have implemented various policies to promote creative industries and have made considerable efforts to promote the export (Cyprus, Hungary, Luxembourg) and import (Austria, Malta, Croatia) of creative goods. However, based on the experiences of the economic crises of 2008-2009 and 2019-2020, fast post-crisis progress is expected in 2024-2025, which would cover the involutions but also the modest evolutions in 2023. Moreover, the crisis in 2022 affected trade in general goods largely than trade in creative goods. Thus, at the global level, the share of trade in creative goods in total trade in goods increased from 3.04% in 2022 to 3.06% in 2023; in the EU from 2.58% to 2.61%; and in the Republic of Moldova from 2.01% in 2022 to 2.11% in 2023.

Countries like: Italy, France, Lithuania, Malta, Poland, Czech Republic, in 2023, promoted the export of creative goods, bringing added value to the EU budget, and Austria, France, Malta, Moldova, Spain, Poland, and others promote cultural values by promoting the import of creative goods.

Given the increased value of trade in creative goods, but also the fluctuations in times of crisis, an important aspect is the distribution of creative goods by subcategories.

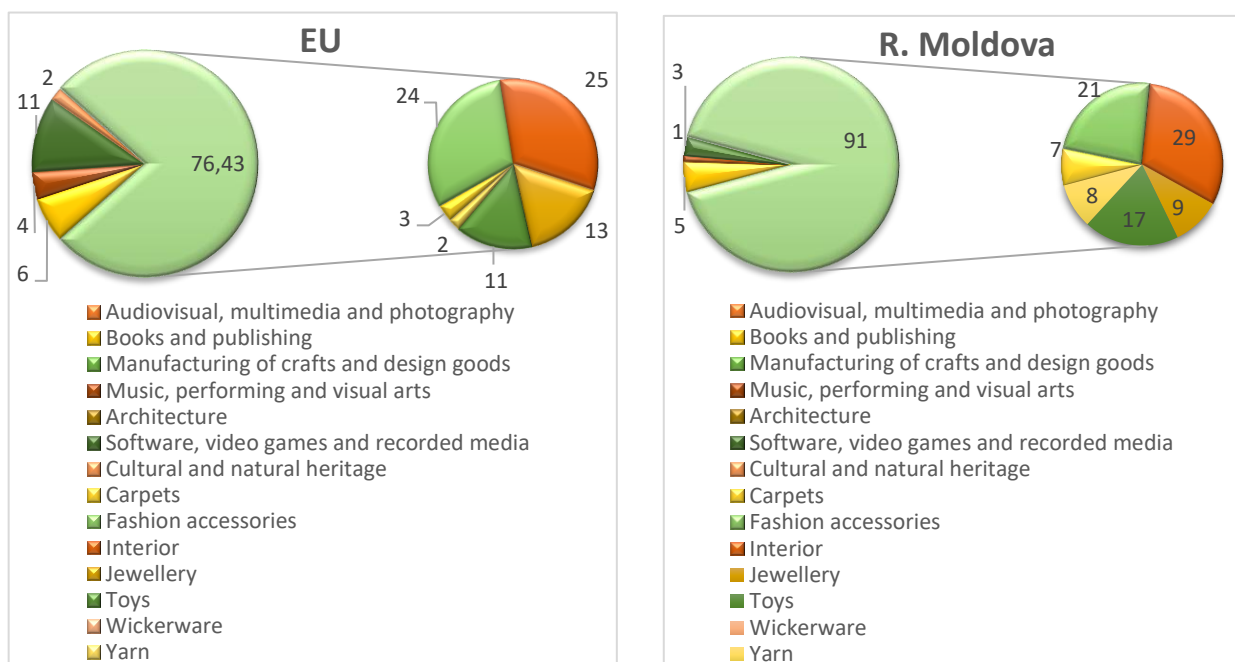


Figure 6. Structure of foreign trade in creative goods, by subcategories, EU and the Republic of Moldova, 2023, %

Source: developed by the author based on UNCTAD data [11], [13].

In Figure 6, we see that the structure of external trade in creative goods in the EU and the Republic of Moldova was distributed differently. In the Republic of Moldova, the main source of external trade in creative goods is the subcategory of Manufacturing of Crafts and Design Items (91), dominated by the commodity groups Interior items (29), Fashion accessories (21), Toys (17). In the EU, the same subcategory accounts for 76%, dominated by the commodity groups Interior items (25), Fashion accessories (24), Jewellery (13). Compared to the Republic of Moldova, the EU has the advantage of a more diverse structure of foreign trade in creative goods, in which, in addition to the presence of the Toys group (11), an important share is occupied by the subcategory Software, video games and recorded media (11).

Entrepreneurs who want to develop their business with these types of goods are advised to study in more depth the evolution of their interest group, as well as to research target markets.

In comparison, foreign trade in creative goods and services has recorded different flows development. In recent years, the Republic of Moldova has benefited from numerous projects to stimulate businesses in the creative industries. These efforts should be noticed in the evolution of statistical results. Below, it is presented the analysis of international trade in creative services.

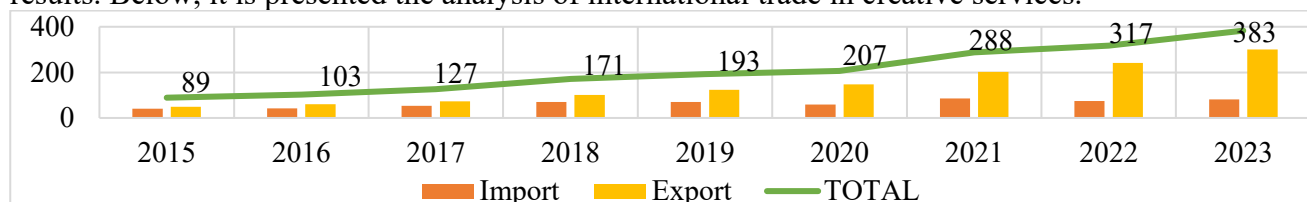


Figure 7. Foreign trade in creative services of the Republic of Moldova, US\$ million

Source: developed by the author based on UNCTAD data [12].

Following the general trend of international trade in creative services, during the analysis period, the Republic of Moldova reported continuous growth, even in the years of global crises – 2020 and 2022. When analysing import and export flows separately, we notice decreasing import trends in 2020 and 2022, which, were successfully covered by continuously increasing export values. The reported results confirm the government's efforts to attract investments in the sector and promote creative industries.

At the EU level, foreign trade in creative services has developed unevenly. Ireland is extremely successful; it dominates the export flow, which is an economic advantage, thus becoming a world leader. In external trade in creative services, it has accumulated 39.3% of the EU's external trade, or 16.91% of world trade in creative services.

Germany, the Netherlands and France were in the next positions; these countries are exporters, but also consumers of imported creative services, so they have the potential to develop local services for domestic consumption.

If in 2023 the Republic of Moldova had been a member of the EU, it would have been ranked 26th out of 28.

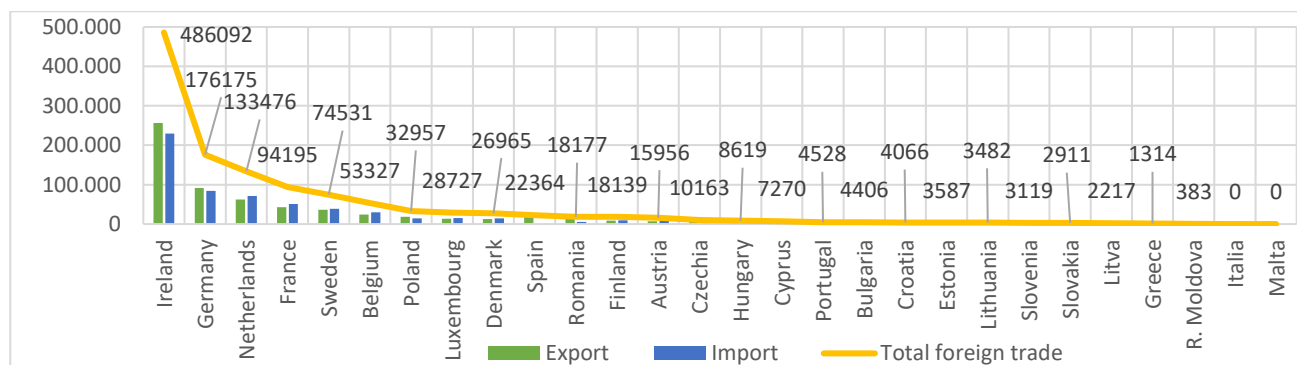


Figure 8. Foreign trade of EU and R. Moldova in creative services by country, 2023, US\$ million

Source: developed by the author based on UNCTAD data [12].

Unfortunately, this result does not indicate the successes of the Republic of Moldova in the export or import of creative services, but rather the inconvenience of the classification systems of creative industries, which have caused inaccuracies in the National Classifiers of Creative Industries Codes, the National Classifiers of Economic Activities, the Nomenclatures of Goods and Services. Thus, relying on national classifiers, Italy and Malta did not present statistical data on foreign trade in creative services. In addition, Spain and Greece did not report statistical data on the import of creative services, which further distorts the overall situation. Possibly, due to the different classifications used, these countries have cumulated their results of trade in creative services, in the category of creative goods. The Republic of Moldova is preceded by Greece (1 314), Latvia (2 217), Slovakia (2 911). In addition to the minor impact of creative services on the foreign market, the Republic of Moldova also faces continuous fluctuations (Figure 9).

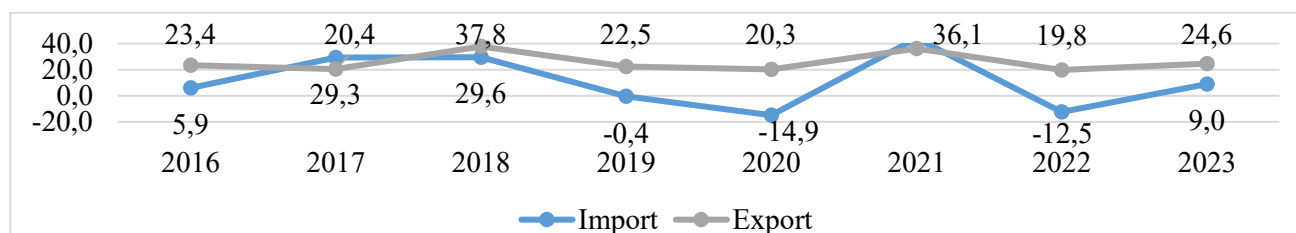


Figure 9. Average annual growth rate of foreign trade in creative services, R. Moldova, %
 Source: developed by the author based on UNCTAD data [14].

Fluctuations in the rates of evolution of the import and export of creative services denote instability for businesses that carry out activities of importing creative services, and relative stability for businesses whose core activity is the export of creative services.

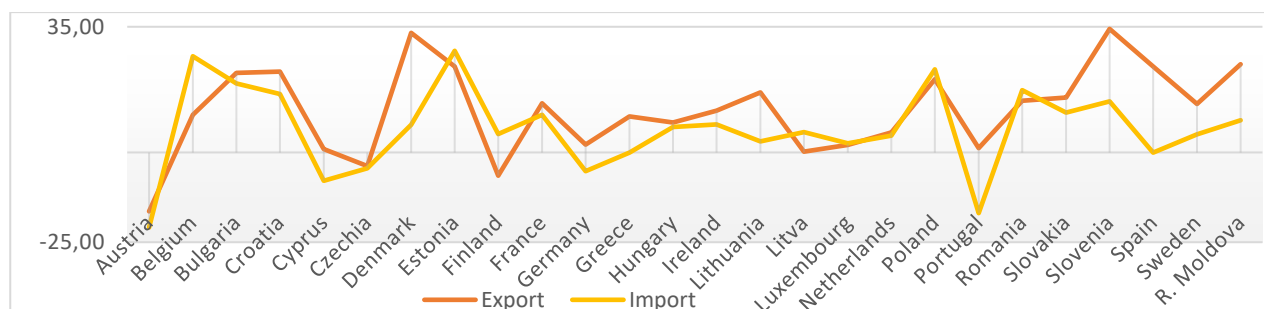


Figure 10. Annual average growth rate of foreign trade in creative services of the EU and the Republic of Moldova, 2023, %
 Source: developed by the author based on UNCTAD data [14].

Despite the incentive policies and funding available at EU level, the results in Figure 10 indicate an uneven evolution of foreign trade in creative services in 2023. These results repeatedly confirm that the EU (as a single entity) is not involved in promoting creative industries at country level, but only provides resources and monitors developments. Country governments are responsible for promoting local creative industries. Despite all the efforts of the government, the share of the Republic of Moldova in global exports of creative services has registered a slight increase, as shown in Figure 11.

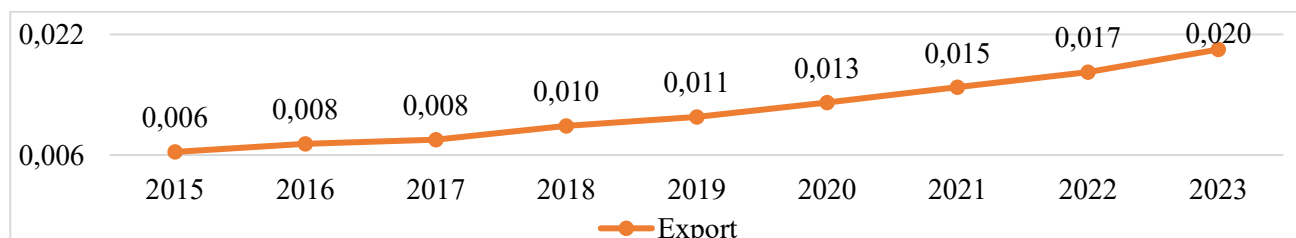


Figure 11. Share of the Republic of Moldova in global creative services exports, 2015-2023, %
 Source: developed by the author based on UNCTAD data [12].

Thus, in Figure 11 we see that the share of Moldova's exports in world trade in creative services increased from 0.006% in 2015 to 0.020% in 2023. The increase in the share is insignificant, but against the background of the global increase from 766 billion to 1 519 billion (almost 2 times), the increase in the value of the Republic of Moldova by more than 6 times cannot be ignored.

During the analysis period, the share of trade in creative services in total services in the Republic of Moldova recorded strong fluctuations. If in 2020 we notice a major increase in the share of exports (also confirmed by the increase in value from US\$ 123 to 148 million), then in 2022 a visible involution was recorded, which in 2023 was continued for the flow of imports, and recovered for the flow of exports. Given that in value, trade in creative services recorded positive trends in 2022-2023, we conclude that there was a stimulus on the general services export market that prevailed in the stimulation of creative services.

By fiscal value, the top sectors of the Moldovan creative industries in 2021, from an economic point of view, were the activities of advertising agencies (US\$ 74,47 million), computer game publishing activities (US\$ 14,53 million) and architecture firms (US\$ 14,301 million). These 3 top economic activities by sales value represented 69% of total creative industry sales in 2021. From 2015 to 2021, 36% of creative industry economic activities recorded an average annual reduction in fiscal value. The largest decrease was recorded for audio recording and music editing activities (-39%), other editing activities (-13%), and media representation services (-13%). At the same time, by far the most spectacular increase in sales was recorded in computer game publishing activities (+116%), the same economic activity registering, in 2019-2020, a sales increase of +520%, which makes it the most profitable creative sector in Moldova, which also records the highest sales growth (although the number of enterprises remains low). Other industries that recorded an increase in sales include artistic creation activities (+29%), cinematographic, video and TV post-production activities (+24%), specialized design activities (+23%) (Government Decision no. 187, 2024).

3. Conclusions

Based on the research results, were formulated the following conclusions:

- In the analysis period 2015-2023, the foreign trade of the EU and the Republic of Moldova recorded strong fluctuations, which indicates instability caused by external factors such as economic, political, social crises. However, looking back at the post-crisis developments of the creative industries, we expect an accelerated economic recovery in the coming years;
- In 2023, compared to 2015, the foreign trade in creative goods of the Republic of Moldova increased by 62%. In the EU, in the same period, foreign trade in creative goods increased by about 30%. France, Germany and Italy were leaders in foreign trade in 2023;
- The category of creative services is more resilient to economic crises than the category of creative goods, fluctuations being less variable, both in the EU and in the Republic of Moldova. In the EU, the contribution of foreign trade in services exceeds that of creative goods by approximately 4 times. This result is due to Ireland, which is a world leader. The Government of the Republic of Moldova continuously invests in the development of creative industries businesses, in the period 2015-2023, recording an evolution of foreign trade by over 330%. In a community or global context, these values are minuscule, but for the Republic of Moldova, they should not be ignored.

We mention the most important recommendations:

- Popularising the UNCTAD 2022 classification, and adapting it to local specificities. This component would provide access to comparable statistical data, and would increase the capacity to process them;
- Spreading cultural concepts and reflections that culture and creativity can generate wealth and developed countries are recommended to diversify production and cooperation agreements with developing countries, which will allow, on the one hand, access to original and cheap creative goods and services, and on the other hand, the possibility of integration into a large market with purchasing power.

The concepts of creative industries represent an infinite source of ideas, which aim, in addition to generating income, to promote cultural values, peace, social inclusion, equality, etc. The fundamental raw material (creative ideas) are renewable and can be addressed and promoted by all states of the world, to contribute to the reduction of social differences and represent opportunities for economic development for both developed and developing countries. Creative industries, like general industries, are influenced by a number of factors, and encounter similar problems in starting and developing businesses. At the same time, creative and cultural industries represent areas that facilitate the inclusion of women, young people and people with disabilities.

References

1. EUROPEAN COMMISSION (2010). Green Paper: Unleashing the potential of cultural and creative industries. Brussels.
2. Government Decision No. 187 of 13-03-2024 on the approval of the National Program for the Development of Creative Industries "Creative Moldova" for the years 2024-2027.
3. SANCHEZ SERRA D. (2015). Determinants of the concentration of creative industries in Europe: a comparison between Spain, Italy, France, United Kingdom, and Portugal, doctoral disertation, 298 pp, [citat 17.03.2025].
4. Commonwealth of Australia 1994, Analyses & Policy Observatory, anul publicării 1994, [online], [citat 01.02.2019]. Disponibil: <https://apo.org.au/node/29704> .
5. Department for Digital, Culture, Media & Sport, Creative Industries Mapping Documents 1998, data publicării 09.04.1998, [online], [citat 01.02.2019]. Disponibil: <https://www.gov.uk/government/publications/creative-industries-mapping-documents-1998> .
6. BUITRAGO RESTREPO, Pedro Felipe; DUQUE MÁRQUEZ, Iván: *The Orange Economy: An Infinite Opportunity: Bogotá, Colombia*. South America, data publicării octombrie 2013. [online], [citat 28.07.2024]. Disponibil: <https://publications.iadb.org/en/publications/english/viewer/The-Orange-Economy-An-Infinite-Opportunity.pdf> .
7. PARRISH David, Helping creative entrepreneurs world-wide become even more successful, [online], [citat 28.07.2024]. Disponibil: <https://www.davidparrish.com/creative-industries-definitions/> .
8. UNESCO (2022). Re | shaping policies for creativity. Addressing culture as a global public good, 331 pp., ISBN 978-92-3-100503-9.
9. UNESCO (2023). Promoting the Diversity of Cultural Expressions and Creative Economy, [online], [citat 23.01.2025]. Disponibil: <https://www.unesco.org/en/articles/promoting-diversity-cultural-expressions-and-creative-economy> .
10. UNESCO (2019). Culture & working conditions for artists, 103 pp, [citat 24.01.2025].
11. UNCTAD, Creative goods matrix, annual, data publicării 15.04.2024, [online], [citat 28.08.2024]. Disponibil: <https://unctadstat.unctad.org/datacentre/dataviewer/US.CreativeGoodsValue> .
12. UNCTAD, Creative services exports of selected groups of economies (experimental), data publicării 16.04.2024, [online], [citat 28.08.2024]. Disponibil: https://unctadstat.unctad.org/datacentre/dataviewer/US.CreativeServ_Group_E .
13. UNCTAD, Creative goods matrix, growth rates, annual, data publicării 15.04.2024, [online], [citat 28.08.2024]. Disponibil: <https://unctadstat.unctad.org/datacentre/dataviewer/US.CreativeGoodsGR> .
14. UNCTAD, International trade in creative services: estimates for individual economies (experimental), data publicării 15.04.2024, [online], [citat 28.08.2024]. Disponibil: https://unctadstat.unctad.org/datacentre/dataviewer/US.CreativeServ_Indiv_Tot .