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Glossary

ACP - The African, Caribbean and Pacific Group of States

CAE-CV - *Classificação das Atividades Económicas de Cabo Verde* – Classification of the Economic Activities in Cape Verde

CISCO - Customized International Standard classification of Occupations

CNP - *Classificação Nacional das Profissões de Cabo Verde* - National Classification of Occupations of Cape Verde

COMTRADE - United Nations Commodity Trade Statistics Database

EBOPS - Extended Balance of Payment Services Classification

ECE – Estatísticas de Comércio Externo – International Trade Statistics

FCS – Framework for Cultural Statistics

GDP – Gross Domestic Product

GNP - Gross National Product

GVA – Gross Value Added

HS – Harmonization System

IAE – *Inquérito Anual às Empresas* – Annual Questionnaire to Firms

ICATUS - International Classification of Activities for Time Use Statistics

IE – *Inquérito ao Emprego* – Employment Questionnaire

II – *Inquérito à Informalidade* – Informality Questionnaire

INECV – *Instituto Nacional de Estatística de Cabo Verde* – National Statistics Institute of Cape Verde

ISIC – International Standard Industrial Classification of all Economic Activities.

NCD - Non-Cultural Domains

OECD - Organization for Economic Co-operation and Development

UNCTAD - United Nations Conference on Trade and Development

UNESCO - United Nations Educational, Scientific and Cultural Organization

Sumario Executivo

O objetivo deste estudo é caracterizar o sector cultural em Cabo Verde. Como subproduto, o exercício foi pensado como uma oportunidade para testar a adequabilidade do Quadro da UNESCO para as estatísticas culturais (FCS09) no contexto dos países do ACP, tomando Cabo Verde como caso particular [TdR].

Infelizmente, limitações na disponibilidade de dados impediram o projeto de atingir o seu principal objectivo: uma estimativa da contribuição das atividades relacionadas com a cultura para o PIB do país (TdR, Secção 2). Para estimar o contributo da cultura para o PIB, seriam necessários dados detalhados sobre o Valor Acrescentado Bruto e salários por ramo de atividade económica, o que se revelou impraticável. No entanto, os dados disponibilizados para este estudo contêm informação valiosa e detalhada sobre as várias dimensões do emprego cultural em Cabo Verde, pelo que sem dúvida trarão alguma luz sobre a caracterização do sector da cultura em Cabo Verde.

Neste estudo, implementamos algumas modificações ao quadro original do FCS09. De modo a acomodar o conceito de cultura utilizado pelo Ministério da Cultura, adicionamos um novo domínio que designamos por L' – “Herança Cultural Intangível – NCD”, para captar atividades cujas manifestações no mercado ocorrem fora dos domínios culturais básicos (esta categoria inclui a gastronomia e métodos tradicionais de transformação alimentar, que são negligenciados no quadro do FCS09); alargamos o perímetro do artesanato criando um novo domínio que designamos por C' - “Outro artesanato e manufacturas tradicionais”, para acomodar sectores que assumem uma manifestação tradicional no caso específico de Cabo Verde; e reduzimos o perímetro nos domínios parcialmente culturais e “transversal, “Desporto e atividades recreativas”, “Turismo” e “Educação e formação”. No caso da “Educação e formação”, restringimos o perímetro à sua manifestação nos domínios culturais básicos (ensino e formação vocacional). No domínio “Desporto e atividades recreativas”, retivemos a componente de atividades recreativas, apenas.

O caso do Turismo afigura-se mais problemático. Embora o Ministério da Cultura não se ocupe do turismo em geral, contempla o turismo cultural como parte integrante da esfera oficial da cultura. No entanto, não é fácil descortinar estatisticamente a porção do turismo geral que é de facto induzida por motivos de índole cultural. No âmbito deste estudo, o Ministério da Cultura forneceu uma estimativa para o impacto das festividades e romarias no emprego não cultural, como tentativa de captar as respectivas externalidades. No entanto, a soma desta estimativa com os outros números fornecidos pelo Ministério da Cultura resultou numa estimativa para a dimensão total da cultura (isto é, incluindo emprego não cultural impactado) que quase iguala o emprego total do país. Este resultado não é realista e leva-nos a questionar se a estimativa do emprego afectado pelas festas e romarias não envolverá um problema de dupla contagem. Por causa disso, neste estudo abstraímos-nos de usar essa estimativa.

No que respeita ao peso das atividades culturais em sentido estrito, os dados fornecidos pelo Ministério da Cultura apontam para 10.6% da força de trabalho do país. Neste conjunto, a componente “Atuação e celebração” destaca-se como o mais importante domínio cultural, com quatro ocupações entre as seis maiores ocupações no sector da cultura (músicos, outros artistas e interpretes criativos, dançarinos, cantores).

É importante notar que a estimativa referida acima, de 10.6% para o emprego cultural, contempla o domínio adicionado C' – “Outro artesanato...”, com dimensão equivalente a 0.9% da força de trabalho de Cabo Verde. Uma análise mais aprofundada a este domínio revela que, entre as classes incluídas, a que se refere a “outras indústrias têxteis” inclui seis empresas formais e uma dimensão média 30 trabalhadores por empresa, um rácio muito superior à média em Cabo Verde. Como essas empresas são também responsáveis por 25% das exportações do país, concluímos que não deveriam estar incluídas na definição de artesanato. Retirando esse sector da categoria C' implica a redução do peso do emprego cultural para 10.3% da força de trabalho (ou 11.5% do emprego em Cabo Verde). Mesmo assim, este número é muito elevado quando comparado com estimativas para outros países (2.6% do emprego em Portugal, de 1% a 3% na maior parte dos países europeus).

Em geral, verificamos que o sector cultural é dominado por microempresas (isto é, unidades de produção com 5 trabalhadores ou menos) e por elevados níveis de informalidade: em média 66% das unidades de produção no sector cultural são informais. Este indicador, embora elevado, é inferior à média nacional (88%). Outra conclusão deste estudo é que a dimensão média das empresas e o nível de informalidade nas várias atividades estão em geral negativamente correlacionados. Há, no entanto, exceções a esta regra, isto é, sectores dominados por empresas grandes e formais. Por exemplo, as empresas dos sectores das “atividades de televisão” e “outras atividades dos serviços de informação” tendem a ser grandes e informais, contribuindo para elevar a média do sector cultural.

Analisando os dados do emprego por ocupação segundo a respectiva função no Ciclo da Cultura, verificamos que quase três quartos do emprego cultural medido por esta óptica está relacionado com a “produção” de cultura em que a maior parte o restante quarto se refere a atividades relacionadas com a “criação”. Não obstante a limitação dos dados, estes números são impressionantes como ilustração do posicionamento do sector cultural em Cabo Verde em torno das primeiras fases do Ciclo da Cultura.

Em Cabo Verde, o comércio internacional de bens relacionados com a cultura é pouco significativo. No que respeita às importações, os “livros” e “jornais” destacam-se entre os domínios culturais, mas o peso colectivo dos domínios culturais situa-se entre 0.3% e 0.4% das importações, apenas. Alargando o perímetro por forma a incluir os materiais de suporte – onde se destacam os computadores e as televisões – o peso do sector cultural alargado aumenta para 2.5% das importações.

No que respeita às exportações, Cabo Verde não exporta bens culturais, tal como definidos no quadro FCS09 original. Alargando o perímetro de modo a incluir produtos que não sendo iminentemente culturais emanam na sua produção ou consumo aspectos da identidade colectiva ou tradições de Cabo Verde, identificamos algumas exportações relacionadas com a gastronomia. Entre estas, a indústria de “conservas de peixe” destaca-se, representando 40% das exportações. No entanto, tentativas de quantificação do domínio intangível L' têm que ser interpretadas com cautela, precisamente porque não é a componente pecuniária que importa. Relativamente às exportações da categoria C' – “Outro artesanato...”, identificamos alguns candidatos (nomeadamente nas classes de exportações de calçado e de têxteis), mas pelas razões expostas acima, optamos por não os considerar como exportações de cultura. As restantes classes na categoria C' tem uma expressão negligenciável nas exportações.

Um elemento fundamental de subestimação do papel económico da cultura em Cabo Verde resulta do facto de os músicos cabo-verdianos que gravam discos no estrangeiro optarem pela residência fiscal no país de acolhimento. Isto significa que os seus direitos de autor não contribuem para o Produto Nacional de Cabo Verde. Naturalmente, uma parte significativa dos respectivos rendimentos acabará por entrar no país sob a forma de remessas de emigrantes. Mas sendo Cabo Verde um país de emigrantes, não é possível descortinar a proporção das remessas respectivas que está de facto relacionada com a cultura.

Neste relatório, incluímos recomendações para a construção de uma base de dados para mapear o sector da cultura em Cabo Verde. Com base no que aprendemos, acreditamos ser possível medir com um razoável grau de fidelidade as dimensões formal e informal da cultura em Cabo Verde, quer em termos de emprego, quer em termos de produção, usando dados disponíveis no INECV, sem que tal implique um afastamento significativo relativamente ao que é proposto no FCS09, pelo menos no que respeita à dimensão económica da cultura. Tal informação poderia depois ser complementada com informação recolhida por outras entidades (designadamente através de “inquéritos de evento”, para festivais e romarias, e a medição dos direitos de autor pagos pelas editoras a músicos Cabo-verdianos no estrangeiro) para medir a dimensão económica da cultura. Relativamente à Dimensão Social, o facto de INECV se estar a preparar para lançar o primeiro inquérito ao uso do tempo pode proporcionar uma oportunidade para incluir perguntas que permitam mapear a participação nos eventos culturais, tal como proposto no FCS09.

Executive Summary

The aim of this study is to characterize the cultural sector in Cape Verde. As a by-product, the exercise was thought to provide an opportunity to test the adequacy of the UNESCO Framework for Cultural Statistics (FCS09), to be implemented in the ACP context, using Cape Verde as a particular case [TdR].

Unfortunately, data limitations prevented the project from achieving its main goal: an estimate of the contribution of cultural related activities to the country's GDP (TdR, Section 2). In order to estimate the contribution of culture to GDP, one would need detailed data on Gross Value Added and on wages per branch of economic activity, which turned out to be impracticable. Notwithstanding, the data that was made available for this study includes valuable and detailed information on the various dimensions of cultural employment, so with no doubt it will help shed some light on the characterization of the cultural sector in Cape Verde.

In this study, we implemented some adaptations to the FCS09 framework. In order to accommodate the concept of culture used by the Ministry of Culture: we added a new domain labelled as L' – "Intangible Cultural Heritage – NCD", to capture activities that have market manifestations outside the basic cultural domains (this accounts for gastronomy and traditional food processing activities, that are neglected in the FCS09 framework); we enlarged the perimeter of crafts with the creation of a new domain labelled as C' – "Other crafts and traditional manufactures", to account for specific sectors that have a traditional manifestation in Cape Verde; and we sized down the partially cultural and transversal domains "Sports and Recreation", "Tourism" and "Education and Training". As for "Education and Training", we restrict the perimeter to the corresponding manifestations in the basic cultural domains (i.e, vocational education and training). In the domain "Sports and Recreation", we retained the recreation component, only.

The case with tourism is more problematic. Although the Ministry of Culture is not concerned with tourism in general, it places the component "cultural tourism" well inside the official perimeter of culture. A problem arises in that disentangling this component from general tourism using the statistic classification systems is not an easy endeavour. For the purpose of this study, the Ministry of Culture provided estimates for the impact of festivals and pilgrimages on non-cultural employment and activities, as an attempt to measure the implied externalities. However, adding this estimate to the other figures on employment provided by the Ministry of Culture resulted in an estimate for the overall dimension of culture (that is, including impacted sectors) that almost totals the country's employment level. This looks unrealistic and raises the question on whether the above-mentioned estimate for the broad impact of festivals and pilgrimages entails a significant scope of double counting. Because of this, in this study we refrain from using that estimate.

Regarding the size of cultural activities in a narrow sense, the data provided by the Ministry of Culture points to 10.6% of the labour force. In this figure, the component of "Performance and Celebration" stands out as the largest cultural sector, with four occupations ranging amongst the top six of cultural occupations in terms of employment (musicians, other performing artists, dancers, singers). It should be noted that the 10.6% figure for cultural employment mentioned above includes the added domain C' – "Other crafts...", which itself accounts for 0.9% of the labour force. A further inspection inside this domain revealed that, among the classes considered, the

one on “other textiles” includes six formal firms and the average employment per firm stands at 30 workers, a figure that largely surpasses the average firm size in Cape Verde. Because these firms are also responsible for 25% of the Cape Verdean exports, we conclude that these should not be included in the definition of craft. Eliminating this sector from category C’ reduces the weight of cultural employment to 10.3% of the labour force (or to 11.5% of the employment in Cape Verde). Still, this figure is very high when compared to other countries (2.6% of employment in Portugal, and from 1% to 3% in most European countries).

In general, we observe that the cultural sector is dominated by micro-units (that is, production units with less than 5 workers) and by a high level of informality: on average, 66% of production units in the cultural sector are informal. This figure, although high, is less than the country average (88%). We also document that the average firm size and the share on informality in general go together across sectors. Looking inside the classes we observe some notable exceptions, that is, some sectors dominated by large and formal units. For instance, “television and broadcasting” and “other activities of information services” tend to be large and formal, impacting significantly on the cultural sector average.

Splitting the data on occupations according to their functions in the Culture Cycle, we observe that almost three fourths of cultural occupations in Cape Verde are related to the process of “producing” culture, and that the bulk of the remaining one fourth refers to activities related to “creation”. Despite the limitations of the data, these figures are impressive as an illustration of the positioning of the cultural sector in Cape Verde in the two very first phases of the Cultural Cycle.

In Cape Verde, the size of international transactions related to culture is rather small. As for imports of goods, items such as “books” and “newspapers” stand out along the Cultural Domains, but the latter altogether account for 0.3%- 0.4% of total imports, only. When enlarging the perimeter of culture so as to include supporting materials - where computers and TV-sets are prominent, the broad weight of culture increases to 2.5% of total imports.

On the exports side, there are no cultural items, as defined in the perimeter of the FCS09 framework. Enlarging the perimeter of culture so as to account for products that are not imminently cultural but which production or consumption emanates the Cape Verdean identity or traditions, we are able to identify some sectors related to gastronomy. Among the latter, the industry of “preserved fish” stands out, representing 40% of exports. However, quantitative figures in the intangible domain L’ have to be interpreted with caution as, by definition, it is not the tangible component that matters there. As for exports in the category “C” – other crafts”, we have identified some candidates (namely in the classes of footwear and textiles) but for the reasons outlined above we opted not to consider these as art crafts. The remaining exports in the category C’ are negligible in terms of size.

A major source of underestimation of the economic role of culture in Cape Verde results from the fact that Cape Verdean musicians recording abroad tend to be registered as resident’s abroad. This means that the corresponding copyrights do not contribute to the country’s Gross National Product. Of course, much of the corresponding revenues are translated into emigrants’ remittances. However, given the size of general emigration in Cape Verde, it is impossible to disentangle the proportion of emigrant remittances that are effectively related to culture.

In this report, we include recommendations for the building up of a statistical database to map the cultural sector in Cape Verde. From what we learned, we believe it is technically possible to measure with a reasonable degree of reliability both the formal and the informal dimensions of culture in this country, using available INECV data, without departing significantly from what is proposed in the FCS09, as far as the economic dimension of culture is concerned. Such information could then be complemented with information collected by other entities (including “event surveys”, for festivities, and the measurement of copyrights paid by publishers to Cape Verdean musicians abroad) to track the economic dimension of culture. As for the Social Dimension, the fact that INECV is about to launch a Time Survey provides an opportunity to include the questions necessary to map the participation in cultural events, as proposed in the FCS09.

Note de synthèse

L'objectif de cette étude est de décrire le secteur culturel du Cap Vert. En marge, l'exercice a été considéré comme offrant l'opportunité de tester le caractère satisfaisant du Cadre pour les statistiques culturelles de l'UNESCO (FCS09), qui sera mis en œuvre dans le contexte de l'ACP, en utilisant le Cap Vert comme un cas particulier [TdR].

Malheureusement, des données limitées ont empêché la réalisation de l'objectif principal du projet, à savoir l'estimation de la contribution des activités liées à la culture au PIB du pays (TdR, Section 2). Afin d'estimer la contribution de la culture au PIB, des données détaillées sur la valeur ajoutée brute ainsi que sur les salaires par branche d'activité économique sont nécessaires, ce qui s'est avéré être impraticable. Néanmoins, les données rendues disponibles dans le cadre de cette étude contiennent des informations précieuses et détaillées sur la dimension de l'emploi culturel; ainsi elles seront utiles pour éclairer les spécificités du secteur culturel au Cap Vert.

Dans cette étude, nous avons procédé à quelques adaptations du cadre FCS09. Afin de prendre en compte le concept de culture utilisé par le Ministère de la culture : nous avons ajouté un nouveau domaine labellisé L' – « Patrimoine culturel intangible – NCD » couvrant les activités ayant des manifestations sur le marché en dehors des domaines culturels de base (ceci comprend des activités relevant de la gastronomie et de la transformation traditionnelle des aliments, qui ne sont pas incluses dans le cadre FCS09) ; nous avons élargi le périmètre de l'artisanat en créant un nouveau domaine labellisé C' – « Autres métiers d'artisanat et de manufacture traditionnelle », pour prendre en compte des secteurs traditionnels spécifiques au Cap Vert; et nous avons restreint les domaines partiellement culturels et transversaux : « Sports et loisirs », « Tourisme » et « Education et formation ». En ce qui concerne « Education et formation », nous avons restreint le périmètre aux manifestations comparables dans les domaines de culture de base. Pour le domaine « Sports et loisirs », nous n'avons retenu que la partie loisirs.

Le cas du tourisme est plus problématique. Même si le Ministère de la culture n'est pas concerné par le tourisme en général, il place bien l'élément « tourisme culturel » à l'intérieur du périmètre officiel de la culture. Démêler cet élément du tourisme en général au moyen de systèmes de classification statistique pose problème et la tâche n'est pas évidente. Aux fins de cette étude, le Ministère de la culture a fourni des estimations sur l'impact des festivals et des pèlerinages sur l'emploi et les activités non-culturels, comme une tentative de mesurer les externalités implicites. Toutefois, en additionnant cette estimation aux autres chiffres de l'emploi fournis par le Ministère de la culture, le résultat est une estimation de la dimension totale de la culture (y compris les secteurs touchés) qui approche quasiment le niveau total de l'emploi dans le pays. Cela apparaît peu réaliste et pose la question de savoir si l'estimation mentionnée plus haut concernant l'impact au sens large des festivals et des pèlerinages n'englobe pas une part non-négligeable de double comptage. Pour cette raison nous nous sommes abstenus d'utiliser cette estimation dans cette étude.

En ce qui concerne l'ampleur des activités culturelles au sens étroit, les données fournies par le Ministère de la culture indiquent 10,6% de la population active. Dans ce chiffre, l'élément « Spectacles vivants et célébrations » se distingue comme le plus grand secteur culturel avec quatre métiers parmi les six principaux métiers culturels en termes d'emploi (musiciens, artistes d'autres spectacles vivants, danseurs, chanteurs). Il

est bon de noter que le chiffre de 10,6% d'emploi culturel donné ci-dessus comprend le domaine ajouté C' – « Autre métiers d'artisanat », qui à lui seul comprend 0,9% de la population active. Un examen plus approfondi de ce domaine révèle que, parmi les catégories considérées, celle d'« autres textiles » comprend six entreprises formelles et que le nombre moyen de salariés par entreprise est de 30 personnes, un chiffre qui dépasse largement la taille moyenne des entreprises au Cap Vert. Puisque ces entreprises représentent 25% des exportations du pays, nous en concluons qu'elles ne devraient pas être qualifiées d'artisanales. L'exclusion de ce secteur de la catégorie C' réduit le poids de l'emploi culturel à 10,3% de la population active (ou à 11,5% de l'emploi au Cap Vert). Ce chiffre reste très élevé en comparaison d'autres pays (2,6% de l'emploi au Portugal, et de 1% à 3% dans la plupart des pays Européens).

En général, nous constatons que le secteur culturel est dominé par des micro-unités (à savoir, des unités de production qui comptent moins de 5 travailleurs) et par un niveau élevé d'informalité: en moyenne, 66% des unités de production du secteur culturel sont informelles. Ce chiffre, quoiqu'élevé, est inférieur à la moyenne nationale (88%). Nous notons également que la taille moyenne des entreprises et la part de l'informalité vont généralement de pair dans tous les secteurs. En examinant les catégories, nous observons quelques exceptions notables, à savoir quelques secteurs qui sont dominés par des unités larges et formelles. Par exemple, « Télévision et diffusion » et « Autres activités au service de l'information » tendent à être larges et formalisés, avec un impact significatif sur la moyenne du secteur culturel.

En découpant les données des métiers selon leurs fonctions dans le cycle culturel, nous observons que près des trois quarts des métiers culturels au Cap Vert ont un lien avec le processus de « production » de la culture, et que la majorité du quart restant relève des activités liées à la « création ». En dépit des limitations dues aux données, ces chiffres sont impressionnants car ils illustrent le positionnement du secteur culturel au Cap Vert dans les deux premiers stades du cycle culturel.

Au Cap Vert, l'importance des échanges commerciaux internationaux liés à la culture est plutôt faible. Quant aux importations de biens, des articles tels les « livres » et les « journaux » se distinguent dans les Domaines culturels, mais ces derniers pris ensemble ne représentent que 0,3% - 0,4% de la totalité des importations. En élargissant le périmètre de la culture pour inclure les supports - où les ordinateurs et les téléviseurs sont prééminents - le poids au sens large de la culture augmente pour devenir 2,5% de la totalité des importations.

Côté exportations, il n'y a pas d'articles culturels comme défini par le périmètre du cadre FCS09. L'élargissement du périmètre de la culture pour y inclure des produits qui ne sont pas strictement culturels mais pour qui la production ou la consommation émanent de l'identité Cap Verdienne ou de ses traditions, nous sommes en mesure d'identifier quelques secteurs liés à la gastronomie. Parmi ces derniers, l'industrie « conserverie de poissons » se distingue, représentant 40% des exportations. Cependant, les données quantitatives du domaine intangible L' sont à interpréter avec prudence car, par définition, ici ce n'est pas l'élément tangible qui compte. Quant aux exportations de la catégorie « C' – Artisanat - autres », nous avons identifié quelques candidats (notamment dans les catégories de la chaussure et du textile), mais pour les raisons données ci-dessus, nous avons choisi de ne pas considérer ces activités comme relevant de l'artisanat artistique. Les exportations restantes de la catégorie C' sont négligeables en termes de volume.

Une source importante de la sous-estimation du rôle économique de la culture au Cap Vert vient du fait que les musiciens Cap Verdiens qui enregistrent à l'étranger ont tendance à être recensés comme résidents à l'étranger. Ainsi les droits d'auteur correspondants ne contribuent pas au Produit intérieur brut du pays. Bien entendu, une grande partie des revenus correspondants se traduisent par des transferts de fonds des migrants. Cependant, vu l'importance de l'émigration en général au Cap Vert, il est impossible de démêler la proportion des transferts de fonds qui sont effectivement liés à la culture.

Dans ce rapport, nous recommandons la création d'une base de données statistique pour dresser la carte du secteur culturel au Cap Vert. De ce que nous avons appris, nous pensons qu'il est techniquement possible de mesurer, avec un degré raisonnable de fiabilité, à la fois la dimension formelle et informelle de la culture dans ce pays, en utilisant les données INECV disponibles, sans dévier de manière importante de ce qui est proposé dans le FCS09, en ce qui concerne la dimension économique de la culture. De telles informations pourraient être complétées par des informations rapportées par d'autres entités (y compris des « questionnaires événementiels » lors des festivités et la mesure des droits d'auteur payés par les éditeurs aux musiciens Cap Verdiens à l'étranger) pour tracer la dimension économique de la culture. En ce qui concerne la dimension sociale, le fait que l'INECV soit sur le point de lancer un *Time Survey* offre l'opportunité d'y inclure les questions nécessaires pour dresser la carte de la participation aux événements culturels, comme proposé par le FCS09.

1. Introduction

Culture is a key driver of economic activity all over the world, and assumes particular importance in Cape Verde. The Cape Verdean music is world famous, and around this cluster other cultural activities have been developed, such as the organization of music festivals. These initiatives have generated positive externalities across the economy, helping a bunch of other cultural as well as non-cultural supporting activities to spring up.

This project is an attempt to characterize the cultural sector in Cape Verde. As foreseen in the Terms of Reference (TdR), as a by-product, the exercise shall provide an opportunity to test the adequacy of the UNESCO Framework for Cultural Statistics (FCS09), to be implemented in the ACP context, using Cape Verde as a particular case. Accordingly, in this report a methodology is proposed to map the cultural activities in Cape Verde, adapting the FCS09 and taking into account the specific reality of the cultural sector in the country.

Unfortunately, data limitations prevented the study from implementing the methodology outlined in the Interim Report [IRa] and henceforth to deliver the project's main goal: an estimate of the contribution of cultural related activities to the country's GDP. In order to estimate the contribution of culture to GDP, detailed data on GVA and wages should be available¹. The data we received, provided by the Ministry of Culture, has no information on incomes other than a rough estimate of wages, making it impossible for the analyst to estimate the "contribution" of culture to the Cape Verdean GDP. Notwithstanding, the data provided by the Ministry of Culture includes valuable and detailed information on the various dimensions of cultural employment, so with no doubt it will help shed some light on the characterization of the cultural sector in Cape Verde.

This report shall be seen as a preliminary attempt to map the cultural sector in Cape Verde. As explained below, much more can be done with information currently available at INECV. Using that information to obtain reliable estimates for the contribution of culture to the country employment and GDP is our main recommendation.

This report is structured as follows: In Section 2, we briefly describe the perimeter of the Cultural Sector chosen for this study, based on the UNESCO framework for Cultural Statistics [FCS09]. In Section 3, we describe the data used. In Section 4, we use the available data to perform some descriptive analysis characterizing the cultural sector in Cape Verde. In Section 5, we propose a methodology to forecast the contribution of the cultural sector to the country's employment and GDP, using existing databases at INECV. Section 6 concludes. The document also contains an appendix, with brief summaries of the meetings held.

¹ In Cape Verde, data on GVA and wages is available at the 4-digit level following the angle of economic activities and the angle of occupations in three databases from INECV. These are the Survey on Economic Activities [INECV-IAE], the Employment Survey [INECV-IE] and the Survey on Informality (see the descriptions in Appendix II). However, delays in the delivery of the data requested for this project prevented their use by the consultant.

2. Delimitation of Cultural Perimeter

2.1 Introduction

The UNESCO Framework for Cultural Statistics was specifically designed to offer “a conceptual foundation and methodology to enable the production and dissemination of internationally comparable cultural statistics”². However, in its initial formulation (UNESCO 1986), the framework lacked an adequate strategy to account for the increasing role of new technologies in the production and dissemination of culture. Moreover, the framework was mostly designed to tackle the needs of developing countries (FCS09, p16). Finally, the original framework was criticized for lacking relevant links to the existing statistical systems (Gordon and Beilby-Orrion, 2006, p.6). Given these limitations, despite being adopted in some developed countries, the framework failed to become the standard in studies on the economic contribution of culture, as initially envisaged³.

Because of this, the United Nations came out with a revised framework in 2009. This revised framework [FCS09] addressed consistently the earlier limitations. In particular, this was done by explicitly accounting for the changing paradigm in cultural activities in result of technological change, by providing a consistent accounting framework that is linked to the main international classification systems, and also by trying to tackle the specific needs of developing countries, namely: by incorporating elements of intangible cultural heritage, by measuring more accurately craft production and also by offering guidelines on how to assess the relevance of informal activities. Given this, we believe the current FCS09 constitutes an adequate departing point from which to start a study on the contribution of culture for an economy like Cape Verde.

When applying the framework to a specific context, however, one shall not ignore the local understanding of what the cultural perimeter should be. The FCS09 framework is designed such that it can be applied to any country, which is advantageous for international comparisons. However, some products or services that do not emanate cultural heritage in some countries may be seen as effective manifestations of the local culture or traditions in other countries. In the particular case of Cape Verde, we identified, with the help of the Ministry of Culture, a number of activities that lie beyond the FCS09 perimeter and that, notwithstanding, worth to be taken into account. On the other hand, acknowledging how particular forms of culture materialize in a given context and the way they interact with activities that are normally considered non-cultural is very important to capture the true importance of culture. The adapted framework below is an attempt to conciliate the FCS09 framework with the reality of Cape Verde, taking into account the Ministry of Culture view, as expressed, for instance, in [MC12, pp. 4-5].

² Quoted from [FCS09], p. iii.

³ Alternative approaches that were meanwhile proposed include, for instance, the European Commission (2000), UNCTAD (2010), and the OECD (Gordon and Beilby-Orrion, 2006). Surveys of the main existing approaches are available in Mateus (2010) and in UNESCO-UIS (2006).

2.2 The UNESCO Framework

The FCS09 conceptual framework departs from a broad definition of culture, that explicitly accounts for “beliefs” and “values”⁴. The FCS09 does not intend however to measure beliefs or values: it instead proposes a methodology to measure the associated behaviours and practices. In doing so, it builds upon a concept of Culture Cycle (UNESCO, 1986), as a model for the relationships between the different cultural processes. The Culture Cycle comprehends the following stages: (1) creation (authoring of ideas); (2) production (reproducible forms, processes); (3) dissemination (including trade and digital distribution); (4) exhibition/reception/transmission (referring to the place of consumption, such as music festivals); and (5) consumption/participation (the activities of audiences in consuming cultural products and taking part of cultural activities, such as book reading or dancing). The Culture Cycle intends to account for the totality of practices, activities and resources that are required to transform “ideas” into “cultural goods and services” that, in turn, reach consumers, participants or users⁵.

To measure the contribution of culture, the FCS identifies six “Cultural domains” (FCS 09, pp 24):

- A: Cultural and Natural Heritage;
- B: Performance and Celebration;
- C: Visual Arts and Crafts;
- D: Books and Press;
- E: Audio-visual and Interactive Media; and
- F: Design and Creative Services.

These cultural domains are defined in a broad sense, so as to capture both the economic and the social dimensions of culture. In this study, however, we are only concerned with the *economic dimension* of culture. Basically, the economic aspects of culture represent activities, services and goods produced by cultural industries through industrial or artisanal processes⁶. In this framework, cultural employment is defined as the “creators, producers and distributors who are involved in either the creation or production of cultural activities, individually, in groups or in organizations” (p. 39).

In addition to the Cultural Domains, the FCS defines some *related domains*. These are activities whose main component is not cultural, but “which do contain cultural elements”. In particular, two “Partially Cultural” domains are identified:

⁴ FCS09, p9: “The UNESCO Framework for Cultural Statistics defines culture through the identification and measurement of the behaviors and practices resulting from the beliefs and values of a society or a social group”. As explained in the document, this definition is somehow more restrictive than the officially one, defined in UNESCO (2001).

⁵ See FCS09, pp 19-20 for details.

⁶ The Social Dimension intends to capture elements of culture that are outside the economic sphere. This includes participation in culture activities (for instance, the time spend watching TV, the number of visits to cultural venues, membership of cultural associations), as well as more intangible dimensions, that economists tend to summarize as “social capital”. The instrument FCS09 suggests the measurement of the participation component using a bunch of indicators from “time use surveys”, classified according to the ICATUS codes (same in Morrone, 2006).

- G. Sports and Recreation
- H. Tourism.

Finally, the framework accounts for “transversal” domains, which are measured across a range of sectorial domains. These are included in the framework because they are thought to play a key role in the Culture Cycle, namely for the production and transmission of culture:

- I. Education and Training
- J. Archiving and Preservation
- K. Equipment and Supporting Materials
- L. “Intangible Cultural Heritage”

A problem with the last dimension, “Intangible Cultural Heritage”, is that it cannot be captured directly by observed transactions in the market. Hence, the FCS framework proposes an indirect measuring: intangible heritage is measured as “it manifests itself across the other FCS domains”.

The FCS framework follows a pragmatic approach: in order to avoid double counting, each activity is only classified once within the framework, even though there are instances where activities logically span more than one domain. In the FCS09, priority is given to the subject rather than to the form in which the cultural content can appear.

2.3 Adaptation to the Cape Verdean context

The adaptation of the conceptual framework to the economy of Cape Verde is an attempt to capture the view of the Ministry of Culture (MC), as expressed in [MC12, pp. 4-5].

The government of Cape Verde defines culture as “all human activity which action motive is the intangible value, such as memory, identity, historical legacy, knowledge and traditions” [MC13]. In [MC12], the definition of creative industries includes all sectors related to the creation (artistic, intellectual), products and services related to its diffusion and consumption (museums, cultural tourism), historical heritage, theatres. The specific list of activities included includes fine arts (music, audio and visual, theatre and performance), telecommunications and broadcast, edition (books and press), craft and traditional arts, festivities and pilgrimages, historical heritage, software of leisure, design, fashion, architecture, gastronomy and advertising (MC12, pp. 4-5).

This interpretation goes beyond the FCS09, in that the transversal domain “Intangible Cultural Heritage” is allowed to include not only activities whose market manifestations take place in the basic cultural domains, but also activities whose market manifestation involves transactions of goods and services that are not eminently cultural, but whose production or consumption emanate the Cape Verdean collective identity or traditions. For instance, hairdressing, and gastronomy are not imminently cultural - so they cannot be accounted for in the basic cultural domains - but they constitute manifestations of the Cape Verdean culture, and therefore should not be ignored in an assessment of the economic dimension of culture.

In our *Adapted Framework*, these activities (which were identified with the help of the Ministry of Culture) are classified under a new domain “L’ - Intangible Cultural

Heritage – NCD” (where NCD stands for “non-cultural domains”, to contrast with the original domain L, which corresponds to Intangible Heritage where market manifestation takes place in the basic cultural domains. Accounting for these activities implied an expansion of the perimeter of culture relative to the one proposed in the FCS09 in the statistical angles of production, employment and exports⁷. The complete list of activities added to the framework under the umbrella L’ is available in Appendix 1, Table AI.1.

Another important modification relative to the FCS09 is the delimitation of what is considered “art craft”. In the FCS09 framework, the list of activities that are considered art craft following the angles of economic activities and of products (Table 2, pp. 52-64) is much more restrictive than what is considered as art craft following the occupation codes. The reasoning is that production by firms tends to be modern and market based, while some specific occupations may follow traditional methods, even when employed in market-oriented firms. In the case of Cape Verde, however, most manufactures have very little scale and follow traditional methods, only. Because of this, the perimeter of the craft sector following the angle of economic activities was enlarged, approaching the perimeter implied by the angle of occupations in the FCS09. This includes, for instance, textiles, fabrication of toys, wood works and others. In our *Adapted Framework*, these activities are classified under a new domain C’ – “Other crafts and traditional manufactures”. The complete list of activities added to the framework under the umbrella C’ is available in Appendix 1, Table AI.2.

Finally, a third adaptation concerns the two “partly cultural” domains”: H – “Tourism” and G – “Sports and Recreation”, and the “transversal domain” I – “Education and Training”. These three domains are typically excluded from the cultural perimeter in most reference papers on cultural statistics (for instance, OECD06, DMCS07, KEA06, CER10). However, the FCS09 accounts for them and defines the respective statistical perimeters. In this study, we follow a “half way” approach, retaining some of the elements of these domains, as explained below.

In the case of Cape Verde, the MC is not concerned with the tourism activity as a whole, but with the cultural dimension of tourism [MC12]. Generally speaking, cultural tourism concerns the movement of people with the aim to participate in the cultural cycle. This includes foreign visitors as well as domestic visitors crossing the territory to attend the different events. In the case of Cape Verde, a significant component of cultural tourism results from the organization of festivals and pilgrimages.

A problem arises however on how to disentangle the component of tourism that is imminently cultural from general tourism. In general, such an exercise is not easy to implement using official statistics⁸. For the purposes of this study, the data provided by the Ministry of Culture (as explained in Section 3.1), include an estimate for the number of workers that develop income-earning activities that are not imminently cultural but that enter in the production chain of culture dissemination. This includes, for instance, driving services, room rentals and food supplies to visitors of festivals and pilgrimages. In this study, we coin this estimate with a new label: K’B – “Supporting activities to

⁷ Needless to say, in the case of imports, there is no reason to depart from the FCS09 model: items that are traditional Cape Verde are not necessarily traditional in other countries. Hence, in the case of exports, we enlarged the perimeter so as to include all import codes (Table AI.4) *plus* the codes specifically added to exports (Table AI.5).

⁸ With no surprise, most methodologies that have been proposed to map the cultural sector neglect the component of cultural tourism (see, for instance, Mateus, 2010, p.44).

Performance and celebration”. This is distinguishable from the domain K – “Equipment and Supporting Materials”, which refers to goods, rather than to services. This new domain K’B may be thought as partially accounting for the impact of cultural tourism.

As for the “transversal domain” I – “Education and Training”, instead of considering it as a whole (that would imply including “primary and secondary school education”), we retain only the sub-dimensions of teaching related to vocational areas of culture (for instance, teaching of music, dance and fine arts). In other words, we do not consider the transversal domain I per se, but rather its manifestations across the basic cultural domains. Finally, in the case of the “partly cultural” domain G – “Sports and Recreation”, only the recreation component is retained⁹.

2.4 Practical issues

A typical problem in mapping cultural activities using statistical classification systems is that some classes are too broad. This applies to statistical classes that include both cultural and non-cultural activities, as well as to statistical classes on culture that spread across different cultural domains.

In practice, a method that has been proposed to address this problem is to use third information sources to disentangle the relevant proportions inside each class. In the project at hand, this was not possible to implement. Thus, our approach consisted in ignoring the classes where the proportion of cultural activities is likely to be negligible in Cape Verde. As for the classes we requested data, we believe the data provided by the Ministry of Culture reflects the relevant employment, only. Regarding the problem of classes that spread across different cultural domains (for instance, the class 9000 “creative, arts and entertainment activities spreads across the cultural domains A, B, C, D), in the analysis below we allow for “mixed domains” (see details in Appendix 1).

⁹ In the case of Sports, there are traditional games than can be thought as expressions of the Cape Verdean identity and traditions. However, these are purely amateur and have no expression in the official statistics.

3. Data used

This study uses data provided by the Ministry of Culture and by the Banco de Cape Verde. The data provided by the Ministry of Culture includes data on international trade, from INECV, and data on employment, collected by the Ministry of Culture. The received tables, as well as the Companion Note that explains how the data was collected [MC13] are listed in Appendix III.

3.1 Data on employment

The analysis on employment draws on the data contained in two tables listed in Appendix III (Tables AIII.1 and AIII.2).

Table AIII.1 refers to employment in Cultural Activities, listed according to the classification of economic activities CAE-CV Rev 1, at the four-digit level (as explained in Appendix II, these codes are fully compatible with ISIC4). In this file, there is also data on the total number of firms involved in cultural activities per branch of economic activity, broken down by legal status (i.e, formal vs. informal)¹⁰. The total number of workers provided in each class consists in the sum of full-time and part-time workers, and no information is given regarding the proportion of these two.

The table also contains an indicator of the “average” monthly wage in each class. As explained in the companion note [MC13], this is computed as the mid-point between the maximum wage and the minimum wage in the population (i.e., as if the distribution was uniform). Since these wages apply to both permanent and temporary workers, it is impossible for the analyst to use this data to forecast the annual wage bill of cultural employment, which would be of help to estimate the contribution of culture to national income.

Table AIII.2 refers to workers in occupations, listed according to the classification system for occupations in Cape Verde (CNP-Rev1), which is consistent with CISCO08. This file contains information of the number of production units and of workers not accounted for in Table AIII.1, and sums up formal and informal workers, as well as full-time and part-time workers.

Although the classification systems in tables AIII.1 and AIII.2 refer to different angles (economic activities and occupations), such separation shall not be taken as fully materialized in these data. In fact, the two tables were filled together with the main goal of placing the relevant employment figures in the list of categories provided by the consultant, rather than to follow rigid statistical criteria. The advantage of this approach is that the double counting that naturally emerges when the two angles are pulled together using official statistics data is likely to have been avoided. The disadvantage is that the analyst shall refrain from elaborating too much on the distinction between cultural employments as measured by the angle of activities from that following the angle of occupations.

It is important to note that two of the items included in the table on economic activities (AIII.1) - namely: 9491 – “Activities of religious organizations” and 9329 –

¹⁰ Actually, in Table AIII.1, the first two columns are labelled “number of firms”, and “of which: large”. In the companion note [MC13], however, the Ministry of Culture explains that the data displayed is in fact split into formal and informal units of production.

“Other amusement and recreation activities” – refer to universes that (purposefully) go far beyond the statistical definition for these codes. In fact, these two classes were used by the Ministry of Culture to place the estimates for the impact of festivities and pilgrimages on activities other than culture. The aim was to capture the large number of workers and small businesses that are not engaged in cultural activities but that participate in the value chain of cultural diffusion. This includes drivers, food-providers, room renting and so on. These “supporting activities to festivities and pilgrimages” were split into two classes, as an attempt to distinguish the impact of pilgrimages and religious festivities (class 9491) from that of music festivals, carnival, and other popular celebrations not driven by a religion motive (class 9329). Together, these two figures are thought to measure the “broad impact” of culture in Cape Verde, that is, accounting for workers in non-cultural activities that are touched by these cultural events. However, – as we will see in Section 4, there are reasons to believe that these estimates are plagued by double counting.

3.2 Data on International trade of goods

The data on international trade of goods is displayed in Tables AIII.3 and AIII.4. These data is readily available at INECV, following a classification system that is fully compatible with the HS10 classification system [the INEC-ECE is briefly described in Appendix 2].

Note that, since the perimeter of culture for exports is larger than that for imports (the perimeter for exports includes the items in Table AI.3 and in Table AI.4), the code lists displayed in Tables AIII.4 and AIII.5 differ too. Notably, Cape Verde does not export any good listed in the original FCS09 framework; only in the extended perimeter we observe some export activity.

3.3 Data on International trade of services

Data on imports and exports of services are collected by Banco de Cape Verde, and published in the Balance of Payments Statistics. The data in Table AIII.5 was provided directly by Banco de Cape Verde. The data contains a reasonable level of disaggregation. Although it does not follow the code list used by the FCS09 (IMF’ EBOPS), it was possible to identify the items related to culture, which are listed in table AIII.5.

4. The cultural sector in Cape Verde

In this section we analyse the contribution of culture to employment and international trade in Cape Verde, using the data described above.

4.1 Employment in the basic cultural domains

For the purpose of characterizing cultural employment, we use the data provided by the Ministry of Economy following the two angles: occupations and industrial classification. These data are summarized in Table 4.1.

According to these data, the number of workers involved in activities in the basic FCS09 cultural domains (From A to E) amounts to 19.2 thousands. This includes both full-time and part-time workers, as well as formal and informal. Enlarging the perimeter so as to include manufactures eligible as art crafts in Cape Verde (Domain C'), total employment in the basic cultural domains increases to 21.0 thousand.

To assess how large these figures are, one would need a comparable universe. Unfortunately, we don't have an estimate for the size of total employment using the same criteria as employed in the building up of these tables. This turns any attempt to estimate the size of "cultural activities" in total employment a fragile exercise.

As a rough reference, we take the total labour force in Cape Verde. One reason is that this variable tends to be less sensitive to the business cycle than the number of occupied workers. Another reason is that, since our data is rather broad in terms of types of working relationships considered, we are not sure whether all these types are consistent with the definition of employment used by the official statistics, even though we acknowledge that the latter is rather broad too¹¹.

According to the last census (INECV 2010) the working population in Cape Verde amounts to 198 thousand, of which 177 thousands have an occupation. Referring to this figure, workers involved in the basic FCS09 cultural domains in Cape Verde weight the same as 10.6% of the Cape Verdean labour force (see Figure 4.1). Note that this figure includes the new domain "C" – Other crafts...". Excluding this – that is – restricting the definition of cultural employment to the FCS09 perimeter, the figure would be 9.7%.

It should be noted that this figure is very high when compared to other countries. Although methods differ, the number of persons employed in cultural sectors is estimated to range between 1% and 3% in the EU countries (see European Commission, 2011, Table 4.2)¹².

¹¹ According to the MQE08, Table 28, workers without any contract account for 70% of employment in Cape Verde. Furthermore, 10% of the surveyed workers didn't reveal their contractual situation.

¹² Mateus (2010) estimates 2.6% of employment in the case of Portugal, which compares to an estimate of 0.9% for the same country, by the European Commission, using a different criterion.

Table 4.1. Employment in Cultural and in Supporting Activities

		Number of Employees		
		Activities	Occupations	Total
Cultural Domains	A. Cultural and Natural Heritage	160	54	214
	B. Performance and Celebration	12	8182	8194
	C. Visual Arts and Crafts	234	3050	3284
	D. Books and Press	776	228	1004
	E. Audio-visual and Interactive Media	2562	956	3518
	F. Design and Creative Services	690	280	970
	L. Intangible Heritage	0	900	900
Non-Separable Domains	A+B+C+D	600		600
	B+E	200		200
	C+D	300		300
I. Total Cultural Domains		5534	13650	19184
Supporting Domains	K.C		240	240
	K.D	1100	12	1112
	K.E	5610	754	6364
	KC+KD		150	150
II. Total Equipment and Supporting Materials		6710	1156	7866
III. Total I+II		12244	14806	27050
Additions to FCS	C'. Other crafts and traditional manufactures	1836		1836
	L'. Intangible Cultural Heritage – NCD	15075	4180	19255
	K'B. Supporting activities to Performance and Celebration	129000		129000
IV. Total Additions to FCS		145911	4180	150091
V: Grand Total (V=III+IV)		158155	18986	177141

Source: Appendix IV, Tables AIV.1 and AIV.2.

4.2 Employment in Cultural and in Supporting Activities

As explained in Section 2, our assessment of the economic relevance of culture departs from a broad perimeter, accounting for the basic Cultural Domains (A to D plus C'), Supporting Equipment and Materials (domain K), Supporting Activities to Performance and Celebration (domain K'B) and the production of goods and services that are not imminently cultural but which production or consumption emanate collective values or traditions (Domain L' – Intangible Cultural Heritage NCD). In Figure 4.1, the employment counterparts of these different dimensions are displayed, as a percentage of the Cape Verdean labour force.

As shown in Figure 4.1, the item “K- Supporting Equipment and Materials” employs the equivalent to 4% of the labour force in Cape Verde. Accounting for this dimension, cultural employment increases to 28.9 thousand or to 14.6% of the labour

force. The added dimension, “L’ – Cultural heritage – NCD” accounts for 9.7% of the Cape Verdean labour force.

When all the dimensions are summed up together, the estimate for the number of workers directly or indirectly impacted by culture increases to 177.1 thousands (Grand Total in Table 4.1). This figure has to be taken with caution, because, if true, it would correspond to 89.3% of the labor force. This is not likely to match the reality.

A question arises, then, as to whether the data in Table AII.1 and AII.2 entails different types of double counting. In particular, we suspect that this is the case with the item “K’B - Supporting Activities to Performance and Celebration”, which adds up 129 thousand workers (65% of the labour force). This category includes all people who enter at some point in the chain of production, distribution, or delivery of culture. Eventually, many of the workers considered in this dimension were already accounted for in other classes (for instance, in gastronomy). Moreover, because these figures refer to many different events, the risk exist of the same participants in different events be counted more than once¹³.

4.3 Structure of cultural employment

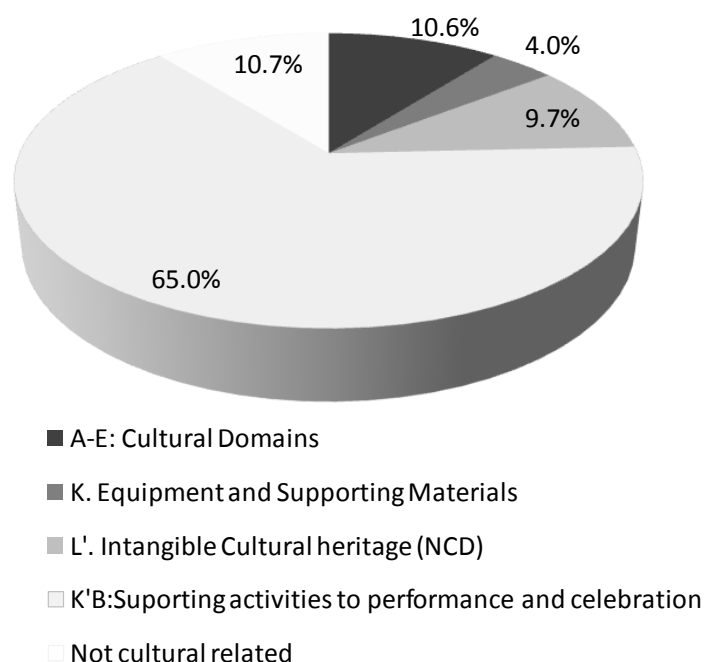
In this section we focus in the basic cultural domains, A-E, only. As shown in Table 4.1, this amounts to 21 thousand workers (including C’).

Figure 4.2 describes the structure of cultural employment across the different cultural domains. As shown in the figure, Performance and Celebration (B) is by far the most important cultural sector in Cape Verde, accounting for 39% of cultural employment. The other large cultural sectors are Visual Arts and Craft, weighting 24.4% (of which 8.7% corresponds to the added category C’ – “other crafts...”), and E – “Audio-Visual and Interactive Media” with a weight of 16,7%¹⁴.

¹³ An obvious source of double counting arises for workers which primary and secondary occupations are both related to culture (for instance, a worker in a bookstore that also performs as a musician in a festivity). However, the incidence of this problem will be too small to explain the above overestimation.

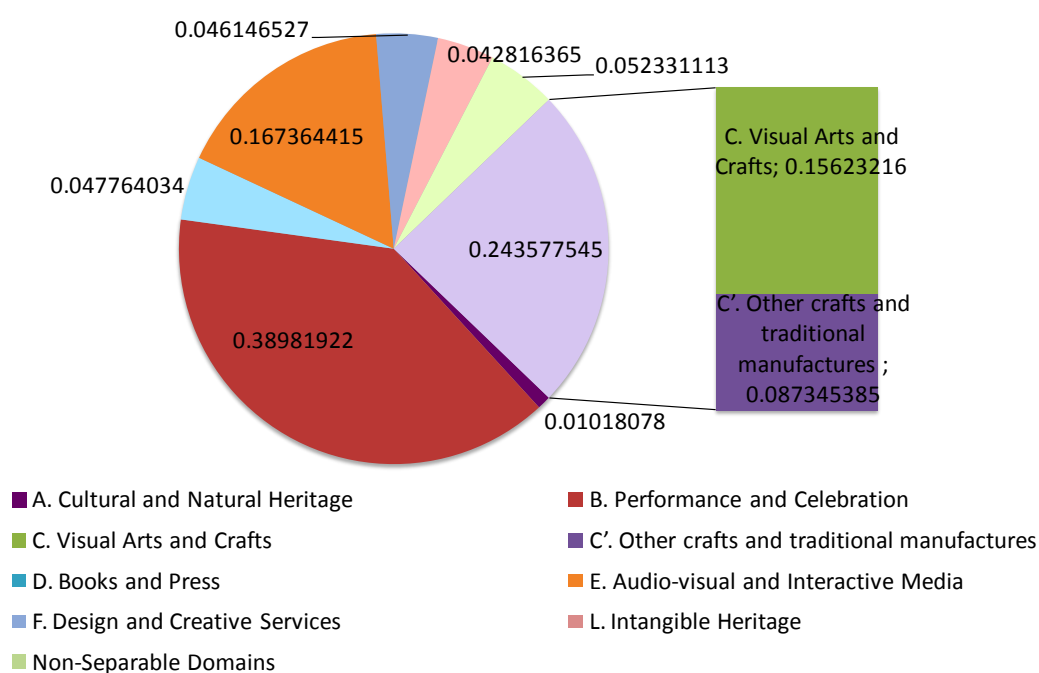
¹⁴ Notably, the relative size of the supporting materials for these different domains (K-items in Table 4.1) does not mimic the relative importance of the basic domains. In particular, the domain E – “Audio-visual and Interactive media” stands out as the one with more important supporting category KE. Together, the domains E+KE accounts for 9.8 thousands.

*Figure 4.1. Weight of employment in Cultural and in Supporting Activities
(percentage of the Labour Force)*



Source: Own calculations based on the data in Table 4.1. The figure for the labour force is from [INECV-Census10].

Figure 4.2. Structure of Cultural Employment



Source: Table 4.2.

Table 4.2. Structure of Cultural Employment

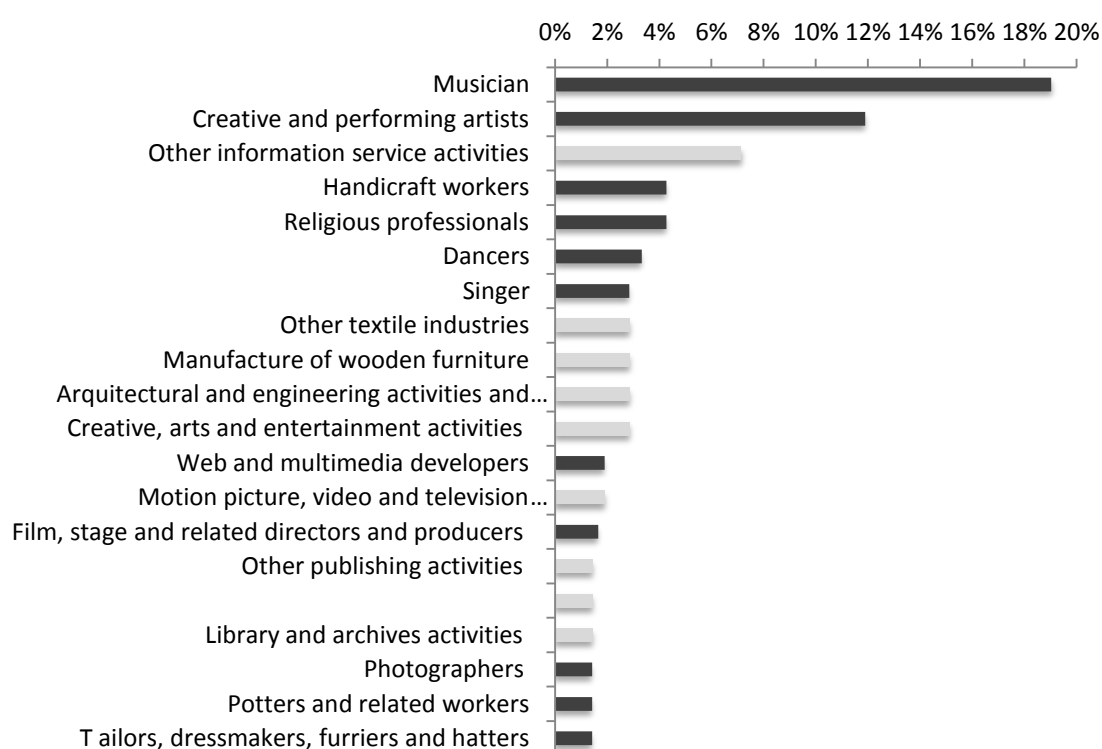
	Activities	Occupations	Total
Cultural domains			
A. Cultural and Natural heritage	0.8	0.3	1.0
B: Performance and Celebration	0.1	38.9	39.0
Of which:			
Musician		19.0	
Creative and performing artists		11.9	
Dancers		3.3	
C: Visual Arts and Crafts	1.1	14.5	15.6
Of which:			
Photographers		1.4	
Potter		1.4	
Handicraft workers		4.3	
Tailors, dressmakees, furriers and hatters		1.4	
C': Other crafts and traditional manufactures	8.7	0.0	8.7
Other textile industries	2.9		
Manufacture of wooden furniture	2.9		
D: Books and Press;	3.7	1.1	4.8
Of which:			
Library and archives activities	1.4		
E: Audio-visual and Interactive Media	12.2	4.5	16.7
Of which:			
Web and multimedia developers		1.9	
Other information service activities	7.1		
F: Design and Creative Services	3.3	1.3	4.6
Of which:			
Arquitectural and engineering activities and related techincal consultancy	2.9		
L: Intangible Heritage		4.3	4.3
Of which:			
Religious professionals		4.3	
Non-separable Domains:			
A+B+C+D	2.9		2.9
B+E	1.0		1.0
C+D	1.4		1.4
Total:	35.1	64.9	100.0

Source: Own calculations based on Tables AIII.1 and AIII.2.

Table 4.2 and Figure 4.3 offer a more detailed perspective, identifying the specific activities or occupations that contribute most to employment in culture (details in the Tables AIV.1 and AIV.2). The classes with highest weight in cultural occupations are “Musician” and “Creative and performing artists”. Together, these two classes account for 30,9% of cultural employment in Cape Verde.

Other sizeable cultural activities or occupations in Cape Verde include “Other activities of information services” (7.1% of total cultural employment), “Handicraft workers” (4.3%), “Religious professionals (4.3%)”, “Dancers” (3.3%), and “Singers” (2.9%). In Figure 4.3, the prominent role of the Cultural Domain “B – Performance and Celebration” stands out, with four occupations ranging amongst the seven cultural classes employing more people.

Figure 4.3 – Largest cultural classes at the four-digit level (% of the cultural employment)



Source: Own calculations based on Tables AIII.1 and AIII.2. Classes listed as activities are coloured grey, while classes listed as occupations are in black.

4.4 Number of production units and their size

The first column in Table 4.3 displays information on the total number of firms engaged in cultural activities. As shown in the table, the domain B – “Performance and celebration” is the more important again, having the larger number of firms. Outside the basic cultural domains, the items L’ – “Intangible Cultural heritage NCD” also exhibits a very large number of firms.

Comparing with the information in Table 4.1, we observe that the structures of employment and of the number of firms across the cultural domains differ significantly. The differences are accounted for by differences in the average firm size. The second column of Table 4.3 displays the average firm sizes per cultural domains, as measured by the number of workers per production unit.

As we see, the average firm dimension is pretty low across all cultural and non-cultural domains, with the sample average being 3.5 workers per firm. It should be noted that average firm sizes in each class hides a significant heterogeneity at the four-digit level (see Table AIV.1 and AIV.2). For instance, in the domain E - “Audio-visual”, the average is pushed up by the presence of two sectors “Television and broadcasting” and “Other activities of information services”, where the average number of workers is 50 and 250, respectively. By the same token, in the domain C’ - “Other crafts...”, the average is highly affected by the class “Other textiles”, where the average number of workers per firm is as high as 30.

The fact that the sub-sector “Other textiles” exhibits an above-average firm size raises the question as to whether it should be considered in category C’ - “other craft and traditional manufactures”. Since this sector accounts for 600 workers, its exclusion from the cultural perimeter would imply a decline in the weight of cultural domains in the workforce (Figure 4.1), from 10.6% to 10.3%. As for the remaining classes inside C’, the average number of workers per firm is 2.1, validating its categorization as “Other craft...”.

Table 4.3. – Number of Firms in the Cultural Sector per cultural domain and average firm size

		Number of Firms	Number of Employees	Employees per Firm
Cultural Domains	A. Cultural and Natural Heritage	57	214	3.8
	B. Performance and Celebration	6789	8194	1.2
	C. Visual Arts and Crafts	1694	3284	1.9
	D. Books and Press	364	1004	2.8
	E. Audio-visual and Interactive Media	668	3518	5.3
	F. Design and Creative Services	297	970	3.3
	L. Intangible Heritage	111	900	8.1
Non-Separable Domains	A+B+C+D	150	600	4.0
	B+E	120	200	1.7
	C+D	150	300	2.0
	I. Total Cultural Domains	10400	19184	1.8
Supporting Domains	K.C	60	240	4.0
	K.D	226	1112	4.9
	K.E	1449	6364	4.4
	KC+KD	70	150	2.1
	II. Total Equipment and Supporting Materials	1805	7866	4.4
	III. Total Domains and Supporting Materials (I+II)	12205	27050	2.2
Additions to FCS	C'. Other crafts and traditional manufactures	585	1836	3.1
	L'. Intangible Cultural Heritage – NCD	7043	19255	2.7
	IV. Total Additions to FCS	7628	21091	2.8
	V: Grand Total (V=III+IV)	19833	48141	2.4
	VI: Average number of workers per firm			3.5

Source: Own calculations based on Tables AIII.1 and AIII.2.

4.5 Informality

We now turn to the issue of informality. As in other emerging economies, the level of informality in Cape Verde is very high, with most production being carried out in production units where implicit contract schemes dominate. According to MQE08, 88% of the firms in Cape Verde are informal and employ 32% of all workers with occupations. On the other hand, roughly 70% of the workers with occupations in Cape Verde have no formal contract.

Table 4.4. displays information on the total number of firms engaged in cultural activities broken down by their legal status¹⁵. To compare the differential weight of informality, we display, in Table 4.4 the percentage of informal firms in the total number of firms, for each cultural domain. This proportion (labelled as “share of informal”) is higher than 50% in all domains except A – “Cultural and Natural

¹⁵ The occupations angle is not considered, due to lack of data.

Heritage” and F – “Design and Creative Services”. Still, most classes in this sample have a share of informality that is lower than the country average (88%)¹⁶.

Figure 4.4 identifies the 10 classes at the four-digit level where the share of informal is higher and lowest.

Table 4.4. – Number of Firms in the Cultural Sector, following the angle of activities, broken down by legal status

		Number of Firms			Share of informal
		Formal	Informal	Total	
Cultural Domains	A. Cultural and Natural Heritage	16	13	29	45%
	B. Performance and Celebration	3	4	7	57%
	C. Visual Arts and Crafts	34	44	78	56%
	D. Books and Press	70	78	148	53%
	E. Audio-visual and Interactive Media	50	182	232	78%
	F. Design and Creative Services	50	42	92	46%
Non-Separable	A+B+C+D	20	130	150	87%
	B+E	8	112	120	93%
	C+D	50	100	150	67%
	I. Total Cultural Domains	301	705	1006	70%
Supporting Materials	K.D	60	160	220	73%
	K.E	93	884	977	90%
	II. Total Equipment and Supporting Materials	153	1044	1197	87%
	III. Total Domains and Supporting Activities (I+II)	454	1749	2203	79%
Additions to FCS	C’ – Other crafts and traditional manufactures	68	517	585	88%
	L’ - Intangible Cultural Heritage – NIC	2108	2773	4881	57%
	IV. Total Additions to FCS	2176	3290	5466	60%
	V: Grand Total (V=III+IV)	2630	5039	7669	66%

Source: Own calculations based on Table AIII.1.

¹⁶ Unfortunately, our database does not include information on the number of workers in formal and informal units separately. Hence, we are not able to compare the average firm size in the formal and informal sectors. According to MC13, the average firm size in the informal sector rounds two to three workers per production unit. Looking at the 4-digit level (Table AIV.1), we confirm that no class with a level of informality higher than 90% exhibits a ratio of workers per unit superior to 3.

Figure 4.4. Cultural sectors with higher informality and with less informality

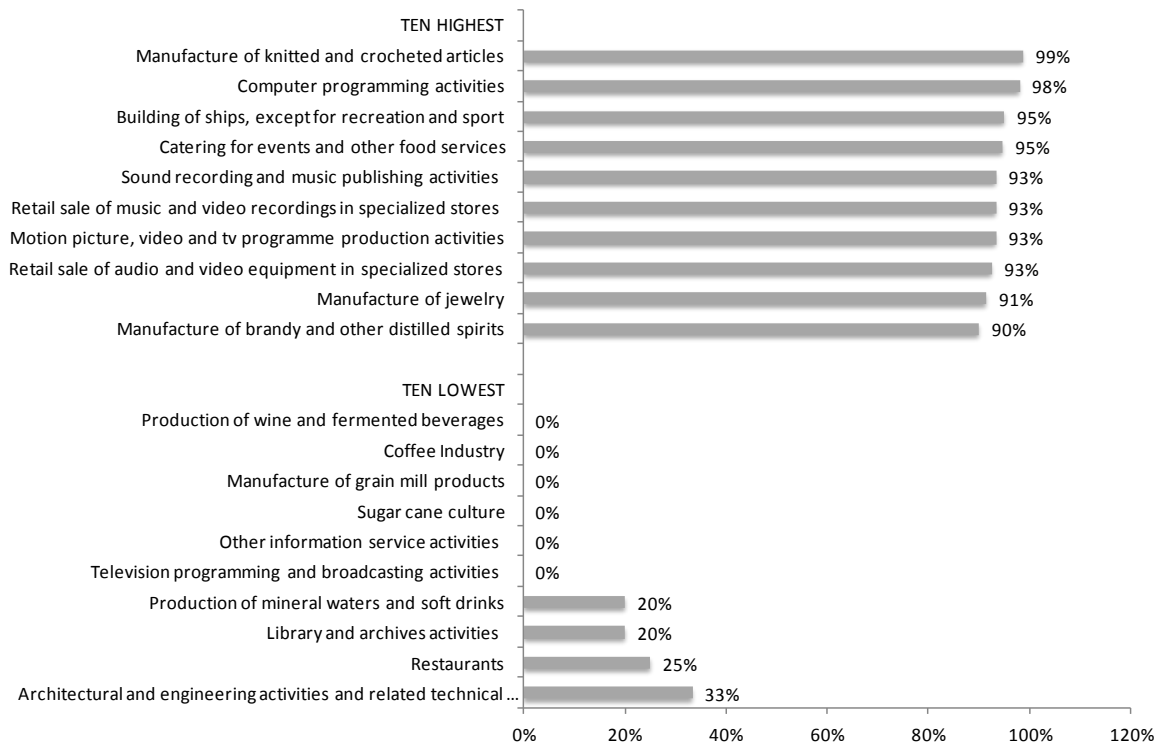


Figure 4.5. – Weight of informality and firm size

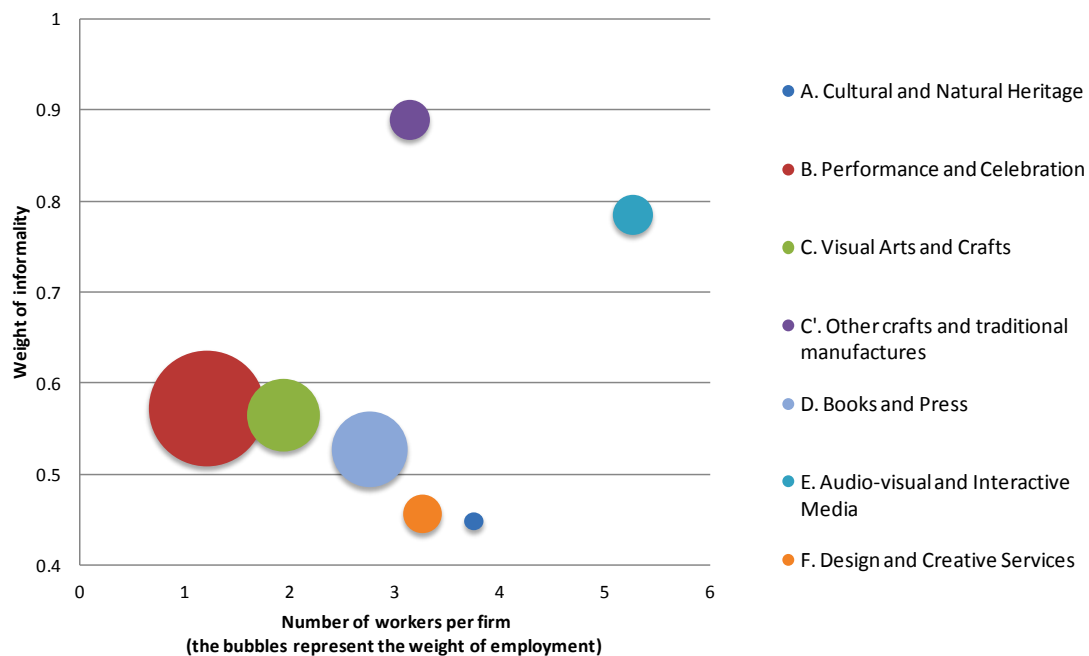


Figure 4.5 crosses the information on the average firm size across the different cultural domains with the corresponding informality levels. In general, the figure is suggestive of a negative relationship between the share of informality and of firm size, which is an expected result¹⁷.

There are however two exceptions to this rule. One is the domain C' – “Other crafts...”. As we pointed out above, this domain is influenced by the category of “Other textiles”, where the average number of workers per firm is 30. Since in this subsector, 70% of the production units are informal (Table AIV.1), this is suggestive of a dual structure involving few large firms (that should be excluded from C') coexisting with a larger number of smaller and informal firms, more likely to follow traditional methods.

As for the other outlier in Figure 4.5, in the Audio-Visual domain (E) a similar situation occurs. As pointed out above, in this domain there are two sectors with zero informality, which employ a large number of workers: “Television and broadcasting” and “Other activities of information services”. In the remaining sectors of this domain, the informality level is very high (83%) and the average firm size is below the sample average. In any case, irrespectively of the level of informality, in this domain the inclusion of all firms inside the perimeter of culture is not at stake.

4.6 The culture cycle

The FCS09 framework proposes a methodology to map the different functions of the cultural cycles using the angle of occupations.

This method should be implemented using information on all workers, and not only on the workers that are not measured by the angle of activities, as is the case with our data. Still, within the limitations of the exercise, it may be useful to see how this methodology applies to our data.

In Table 4.5, we split the data on occupations according to the corresponding function in the cultural cycle. Interesting enough, we observe that almost 74.3% of the cultural employment as measured by occupations is accounted for activities related to “production” of culture. Then, 22.7% of the occupations are related to the activity of “creation”. The remaining functions of the cultural process have a very small role. These figures point to a prominent role of the two first phases of the culture cycle in Cape Verde.

¹⁷ Although not reported here, at the four-digit level (information in Table AIV.1), such trend was confirmed by the slope of a regression line relating the average firm size and with the share of informality.

Table 4.5. – Structure of occupations, broken down by cultural domain and supporting material and function in the cultural cycle.

Function	Creation	Production	Dissemination	Exhibition/ Transmission	Education and Training	Archiving and Preservation	Total Domain
Cultura Domains:							
A. Cultural and Natural heritage	0.1		0.1			0.1	0.3
B: Performance and Celebration	13.2	29.5			0.5		43.1
C: Visual Arts and Crafts	0.9	15.0			0.2		16.1
D: Books and Press;	0.9	0.2				0.1	1.2
E: Audio-visual and Interactive Media		5.0	0.0				5.0
F: Design and Creative Services	1.2		0.2				1.5
L. Intangible Heritage	6.3	20.4					26.8
Supporting Domains:							
C: Visual Arts and Crafts		1.3					1.3
D: Books and Press;		0.1					0.1
E: Audio-visual and Interactive Media		2.1	0.3		1.6		4.0
Non-Separable:							
KC+KD		0.8					0.8
Total per function	22.7	74.3	0.6	0.0	2.3	0.1	100.0

Source: Table AIV.2.

4.7 Imports of cultural goods

As explained in Section 2, in this study the perimeter for culture on the import side is more restrictive than that on the export side. The perimeter for imports basically mimics the FCS09 framework. The perimeter for exports is extended so as to include a wider concept of art crafts and of intangible cultural heritage not reflected in the cultural domains (C' and L').

Table 4.6 displays the import values of cultural goods, as of 2009 and in 2012, broken down by cultural domains and the corresponding supporting materials. At the bottom of the table, the two sub-totals are expressed as a percentage of imports and as percentage of GDP.

Table 4.6. Imports of cultural goods in 2009 and in 2012

	2009		2012	
	Million CVE	Total =100	Million CVE	Total =100
Cultural domains:				
A. Cultural and Natural heritage	0.0	0.0	0.0	0.0
Antiques	0.0	0.0	0.0	0.0
B: Performance and Celebration	51.3	3.7	23.6	1.7
Musical instruments	6.5	0.5	6.9	0.5
Recorded Media	44.8	3.2	16.7	1.2
C: Visual Arts and Crafts	24.1	1.7	23.4	1.7
Paintings	5.3	0.4	6.6	0.5
Other Visual Arts	16.4	1.2	14.0	1.0
Craft	1.4	0.1	2.3	0.2
Jewellery	0.0	0.0	0.3	0.0
Photography	1.0	0.1	0.1	0.0
D: Books and Press;	110.4	8.0	234.6	17.0
Books	83.6	6.0	170.0	12.4
Newspapers	21.6	1.6	58.1	4.2
Other printed material	5.2	0.4	6.5	0.5
E: Audio-visual and Interactive Media	0.8	0.1	0.6	0.0
F: Design and Creative Services	0.3	0.0	0.1	0.0
I. Total Cultural domains	186.8	13.5	282.2	20.5
Equipment and Supporting Materials				0.0
B: Performance and Celebration	44.6	3.2	67.0	4.9
Celebration	8.8	0.6	9.6	0.7
Music	35.9	2.6	57.4	4.2
C: Visual Arts and Crafts	69.4	5.0	64.1	4.7
Photography	69.4	5.0	64.1	4.7
D: Books and Press;	0.1	0.0	0.0	0.0
E: Audio-visual and Interactive Media	1084.5	78.3	963.0	70.0
Audiovisual	323.0	23.3	302.8	22.0
Computers and related equipment	761.5	55.0	660.2	48.0
II. Total Equipment and Supporting Materials	1198.7	86.5	1094.2	79.5
III. Total Domains and Supporting Activities (III=I+II)	1385.5	100.0	1376.4	100.0
IV. Other Imports	53447.5	-	62959.0	-
Grand Total (V=III+IV)	54833.0	-	64335.4	-
Memo:				
Percentage of Imports:				
Total Cultural Domains	0.3		0.4	
Equipment and Supporting Materials	2.2		1.7	
Percentage of GDP:				
Total Cultural Domains	0.1		0.2	
Equipment and Supporting Materials	0.9		0.7	

Source: INECV. The figure for GDP is from Banco de Portugal (2013).

As shown in the table, imports of cultural goods (basic domains) correspond to 0.3%-0.4% of imports and to 0.1%-0.2% of GDP. Accounting for imports of equipment

and supporting materials, these figures increase to 2.1%-2.5% and 0.9%-1.0% respectively.

In the table, the items that stand out in terms of relative importance are books, among the Cultural Domains, and computers and television sets, among “equipment and support materials to Audio-visual and Interactive media”. As for a reference – and acknowledging the differences in methodology – CER10 finds the domain with more weight in the world trade of creative goods to be “Design”, followed by “publishing” and “Art crafts”¹⁸.

4.8 Exports of cultural goods

Regarding exports, there are no exports of cultural goods, as defined using the original FCS09 perimeter. In particular, it is surprising that there are no records of exports of CDs, for instance, which would be expected to happen in a context with less informality¹⁹.

When we enlarge the perimeter of culture so as to account for the added domains C' and L', we observe some eligible exporting sectors (Table 4.7).

In the category L', we were able to identify some products related to gastronomy and traditional food processing, which are thought to incorporate intangible cultural heritage. These are coffee, food, wine, pastry and processed fish. Among these, processed fish has a sizeable dimension, accounting for 40% of the country's exports in 2012. Together, the exports in dimension L' account for 42% of the country's exports in 2013 and to 1.5% of GDP. It should be noted that these goods do not belong to the cultural domains: they are considered in a broad assessment of intangible cultural heritage, so – by definition – their tangible manifestation has to be interpreted with caution.

In the category C', the most significant candidates for cultural exports would be manufactures of clothing and shoes, which account for almost one fourth of Cape Verdean exports of goods (0.6% of GDP). The fact that these exports are produced in such a large scale turns however their classification as crafts not realistic. For this reason, we shall exclude these exports from the perimeter of culture²⁰.

Summing up, one may state that exports of cultural goods by Cape Verde are negligible. The only sizeable exports that can be thought as related to culture are in the

¹⁸ The CER10 estimates imports of creative goods – defined using a different criteria from the FCS09 – to be 0.96% of GDP in Cape Verde, which compares to 0.48% of GDP in Guinea, 0.52% in Mozambique, 0.21% in Nigeria, 0.74% in Germany, 0.86% in Portugal and 1.16% in the UK (we scaled the original figures, in values, by figures on GDP by the World Bank).

¹⁹ Because this finding was surprising, we double-checked, by inspecting the data on Cape Verdean exports at the UN COMTRADE Mirror Statistics. The information available (from 2008 until 2012) confirms the absence of exports by Cape Verde in the original FCS09 domains.

²⁰ Basically, this data confirms our earlier point that the large textile plants should be excluded from the perimeter of craft. As for shoes factories, the data in Table AIV.1 is not suggestive of the presence of any large firm. We guess that exported oriented shoes manufacturing was already excluded from the data collected by the Ministry of Culture.

intangible domain, so that the corresponding figures only very indirectly can be used to size the relevance of culture.

Table 4.7. Selected exports, 2009 and in 2012

	2009		2012	
	Million CVE	Total =100	Million CVE	Total =100
C' – Other crafts and traditional manufactures				
Leathers	0.1	0.0	0.3	0.0
Clothing	478.5	27.7	221.9	8.4
Shoes	306.4	17.7	377.3	14.2
Others	0.0	0.0	0.0	0.0
I. Total C'	785.0	45.4	599.5	22.6
L' - Intangible Cultural Heritage				0.0
Coffee	3.5	0.2	0.8	0.0
Prepared or preserved fish	876.5	50.7	1978.1	74.5
Molasses and confectionary products	2.1	0.1	1.9	0.1
Bakry and Pastry products	11.4	0.7	16.9	0.6
Brandy and Wine	50.4	2.9	56.1	2.1
Others	1.3	0.1	0.7	0.0
II. Total L'	945.2	54.6	2054.5	77.4
III. Total Cultural and related Exports (I+II)	1730.2	100.0	2654.0	100.0
IV. Other Exports	1509.5	-	2186.3	-
Grand Total (III+IV)	3239.7		4840.3	
Memo:				
Percentage of Exports:				
C' – Other crafts and traditional manufactures	24.2		12.4	
L' - Intangible Cultural Heritage	29.2		42.4	
Percentage of GDP:				
C' – Other crafts and traditional manufactures	0.6		0.4	
L' - Intangible Cultural Heritage	0.7		1.3	

4.9 Imports and exports of cultural services

Regarding international trade of services, there are only few culturally related items, both on the import and on the export side (Table 4.8).

As for exports, the only relevant item is “Communication services”. These account to 4% of exports of services in Cape Verde. On the import side, there is a significant component of “Communication services”, together with “Information services” and “Services of architecture” (which cannot be distinguished from engineering). Together, these items account to 9.5% of imports of services.

The most important fact with this data is that exports of “royalties and property rights” are nil. A natural explanation is that musicians in Cape Verde that achieve an international status opt to become non-resident for fiscal purposes, so their income does not account for the Cape Verdean GNP.

Table 4.8 – Selected imports and exports of services

	Exports		Imports	
Cultural domains:				
Communication services	1030.4	94.2	323.0	27.4
Computer and information services	54.2	5.0	398.9	33.8
Other business services	6.8	0.6	445.2	37.7
Advertising, market research and public opinion polling services	0.2	0.0	64.8	5.5
Architectural services, engineering, agricultural, mining and other technical services	6.6	0.6	380.4	32.2
Personal, cultural and recreational services	2.0	0.2	13.5	1.1
Audio-visual and related services	2.0	0.2	13.5	1.1
I. Total Cultural domains:	1093.4	100.0	1180.7	100.0
II. Total Non- Culture	24596.6		11255.2	
III. Grand Total (III=II+I)	25690.0		12435.8	
Memo:				
Percentage of Imports:	4.3		9.5	
Percentage of GDP:	0.8		0.8	

5. A methodology to map and monitor the contribution of culture to employment and GDP in Cape Verde

The fact that this project faced significant data limitations does not imply that better could not be done. On the contrary, from what we learned during our missions to Cape Verde, the INECV has important databases that can, in principle, be used to extract reliable data on cultural activities. In particular, we refer to the survey on economic activities (INECV-IAE), the survey on employment (INECV-IE) and the survey on Informality (INECV-II). With these three sources, briefly described in Appendix II, we believe it will be possible to forecast with a minimum level of reliability the contribution of culture to employment and to GDP in Cape Verde.

Below, we propose a methodology to this endeavour. This methodology benefitted from technical discussions at INECV during the first mission in place. From what we learned, we believe it is technically possible to measure with a reasonable degree of reliability both the formal and the informal cultural sectors in Cape Verde, without departing significantly from what is proposed in the FCS09, as far as the economic dimension of culture is concerned.

5.1 Method to estimate the cultural employment

Cultural employment includes both occupations in cultural industries and the cultural occupations in non-cultural industries.

Thus, a starting point to measure cultural employment is the labour force survey INECV-IE, which follows the occupational angle. The INECV-IE distinguishes the “type of occupation”, according to the CNP – Rev 1 classification system, which is compatible with ISCO08 (see Appendix II). Moreover, this survey accounts for both the primary and secondary occupations, which is particularly useful for a study on cultural activities, which many agents exert as a complement to the first occupation.

The INECV-IE distinguishes the occupied workers according to the “situation in occupation”: self-employed, employee (including in SOEs), civil servants. - Columns (a) and (b), in Table 5.I.

As a complement to INECV-IE, INECV launched in 2009 a survey on informality. This survey lists the informal units of production according to the occupation codes, and contains information both on the number of employees, their wages, and also a very rough estimate of the production unit’ income statements. Hence, at least in principle, it will be possible to launch an investigation similar to that proposed for the Employment Survey, using the raw data on the Informal Survey (Column d, in Table 5.1)²¹.

²¹ The existence of a survey on informal activities constitutes, with no question, an important asset in the Cape Verdean statistical system. However, from our interactions with local agents of culture we have reasons to suspect that the coverage of the survey has not been too deep, at least as far as the cultural sector is concerned. From our meetings in Mindelo, where we interviewed different artisans, musicians, and others intervenient in the cultural process (see Appendix V, below), we learned that this survey was fairly unknown. Whether our sample was representative or not, we don’t know. In any case, given the small number of agents we are dealing with, we believe the assessment of the size of informal cultural occupations based on this survey will not be absent of uncertainty.

To obtain a measure of the total number of workers involved in cultural industries, (d), one shall not simply sum the figures obtained in (a), (b) and (d) in Table 5.1. As long as the different databases have sizes that are not proportional to share of the corresponding groups in the economy, one should first measure the share of cultural activities within each database, and then use the share of the corresponding groups in the total population to construct our measure of aggregate employment. For such extrapolation, the analyst would need information on the shares of formal and informal employment in total employment. These are available with some degree of disaggregation in MQE08.

Using the statistical framework proposed in Section 2 (and Appendix 1), this exercise could be repeated for different perimeters of culture, for instance including and excluding supporting materials and activities.

Although figures are not comparable, it is most convenient to check the cultural employment for a second angle, namely that of economic activities [INECV-IAE]. By accounting for all types of occupations in a particular production unit, the business survey will capture workers that are not directly agents of culture but that participate in the formation of the value added of cultural activities. For instance, a salesman in a bookstore will not appear as a cultural occupation but will be captured as cultural employment following the angle of business activities. Crossing the two sources will also help address the problem that none of these two surveys is exhaustive²².

Table 5.1 – Scheme of how to combine the different databases

	Employment		Gross Value Added
Government (Exc. SOE)	IE - Labour Force Survey (a)		MF - Budget Execution (f)
Private Sector (formal)	IE - Labour Force Survey (b)	IAE - Business Survey (c)	IAE - Business Survey (g)
Private Sector (informal)	II - Survey on Informality (d)		II - Survey on Informality (h)
Total	(e)		(i)

²² Crossing the two sources of information is common in studies assessing the size of cultural employment (see, for instance, Cunningham and Higgs, 2008, Gordon and Beilby-Orrion, 2006, p. 19). Another advantage often reported is that, whenever the survey on employment does not measure second occupations, crossing the two sources of information will help reduce undercounting.

5.2 Method to estimate the contribution to GDP

The proposed strategy to estimate the contribution of cultural activities to GDP, consists in adding the estimates for the Gross Value Added (GVA) of the three main sectors identified in Table 5.1:

- The Business sector (g)
- The Informal Sector (h)
- The Government sector (f)

From what we learned in our talks at INECV, the GVA of the business sector (g) can be estimated using the Business Survey [INECV-IAE]. In this database, GVA is not directly given, but it can be computed at the firm level (in nominal terms) from reported income statements. Individual GVAs can then be added up to obtain the “formal” GVA per branch of economic activity at the four-digit level. Then, shares of cultural activities on total GVA at the two-digit level could be applied to the national account aggregates to estimate the share of cultural *activities* on private GDP.

The GVA of the Informal Sector (h) can be estimated using the Survey on Informality (INECV-II). In this survey, information on wages and on income statements is, in principle, available at the level of each “informal production unit”. The quality of this data is, of course, much lower than that of the business survey, as informal agents tend to be conservative when declaring their revenues and wage bills. Still, as long as this bias is roughly uniform across cultural and non-cultural activities, the corresponding estimate of the share of cultural activities in informal GVA would still be consistent. Then, using the weight of informal GDP on total GDP, one could estimate the contribution of the cultural sector to GDP.

The contribution of Government activities to cultural GDP may be accounted in a simpler manner, measuring the wages of civil servants working in cultural occupations (for instance, teachers of music, archivists and curators). This is easily captured by the INECV-IE, which includes information on wages. Since public sector, wages are a good proxy for value added, the contribution of the public sector to cultural GDP in could measured that way, at least as far as the occupations angle is concerned.

More difficult will be to measure the governmental activities in the cultural cycle that are not undertaken by professionals of culture. In contrast with what happens in the private sector, there is no alternative angle in the official statistics to measure cultural activities performed by non-cultural occupations. So, unless purposeful information is collected outside the official statistics, the methodology proposed will entail an underestimation²³.

Table 5.1 summarises how these different statistical pieces could be combined together, to estimate the contribution of cultural activities to total output in Cape Verde. To estimate the total value added of cultural industries (i), one needs to extrapolate to the total economy the share of cultural activities in each group [(f), (g), (h)], using

²³ Note that this is not valid for all cultural activities undertaken by the government: public enterprises such as the national TV broadcast are considered “private sector” in statistical terms, so they will appear in the IAE-CV.

information on the share of each group on the economy' GDP (figures from the INECV would be needed)²⁴.

As a final remark, since the survey on informality refers to the year of 2009, and because all the other databases are available for the year 2009, the starting point to measure the contribution of culture to GDP and employment in Cape Verde would be setting the base year at 2009.

5.3 Discussion

In the sections above, we outlined possible guidelines to estimate the contribution of cultural activities to GDP and employment in Cape Verde. Irrespectively of the operational difficulties, this methodology entails significant drawbacks.

First, the method of investigating first the share of cultural activities in each statistical database and then extrapolate to the population using the same weights as in national accounts is not absent of criticism. For instance, it may well be that informality in culture related activities is higher than for the economy as a whole.

Second, the quality of the results will depend on the quality of the data. For instance, according to our in site interviews we learned that the 2009 Survey on Informality did not cover a significant proportion of the existing agents of culture, including cases in which cultural activity is exerted as the primary occupation.

Third, official statistics are not particularly helpful to measure the impact of cultural activities on non non-cultural agents engaged in non-cultural activities. This is the case of supporting activities to festivals and pilgrimages that, although not being agents of culture, participate in the production chain of cultural diffusion and are impacted by cultural events. Finally, the methodology outlined above is silent in respect to the social dimension of culture. The following two sections address the last two limitations.

5.4 Festivals and pilgrimages

The methodology to estimate the contribution of cultural activities outlined in the sub-sections above does not provide a complete view of the impact of cultural activities to value added and employment. As already mentioned, there are a significant number of occupations that are not imminently cultural nor developed by economic units specifically engaged in cultural activities - so they cannot be captured by the occupations angle nor by the angle of activities - and yet are important inputs for the process of production of cultural goods and services.

This is particular true in the case of Cape Verde, where festivals are an important driver of cultural output. Examples of occupations not captured in the accounting framework proposed in Appendix 1 includes an extensive list of small family businesses like house renting, sellers of fruits and other food, providers of transportation services, repair services and so on.

²⁴ Actually, the share of Government Services in Gross Value Added is published in the INECV home page. Hence, only the share of the informal sector in the country GDP will be necessary for such exercise.

In the scope of this project, the Ministry of Culture provided an estimate for the number of people involved indirectly in the cultural process that way. This includes an estimate for the number of suppliers to religious festivities and pilgrimages, and an estimate for the number of suppliers to music festivals, carnival, and other popular celebrations not driven by a religion motive. In the descriptive analysis above, we labelled these estimates as a new domain: K'B – “Supporting activities to Performance and celebration”. In Section 4.2, we argued that these estimated are likely to be overestimating the true impact of these festivities. Thus, for the future, it would be interesting to improve the quality of these estimates. This could be done by monitoring more closely the impact of festivities through the implementation of specific “event surveys”: that is, standardized surveys specifically designed to capture the impact of these events in activities not accounted for in the other domains, but including some mechanism of cross-checking in order for the same supplier not to be counted twice when participating in different events.

The implementation of event surveys could be an important complement to the official statistics, as it could be a valid way of generating data assessing the positive contribution of festivals to non-cultural sectors and henceforth to the springing up of third economic activities in Cape Verde.

5.5 Royalties and copyrights

A major source of underestimation of the economic role of culture in Cape Verde results from the absence of copyright revenues in the balance of payments statistics. A natural explanation is that Cape Verdean musicians recording abroad prefer to be liable for taxation in the host country, so their incomes do not appear as exports of services. Of course, a significant part of these revenues will show up in the balance of payments statistics as emigrants' remittances. However, being Cape Verde a country of emigrants, it will be very difficult to disentangle the fraction of observed remittances that correspond to copyrights.

An alternative avenue – apparently already being explored by the Ministry of Culture - will be to collect data from publishers on the total payments of copyrights to Cape Verdean musicians. The corresponding figures should not be interpreted as true exports or income payments, but they would certainly help figure out the true contribution of culture to the Cape Verdean economy.

5.6 Social Dimension

The FCS09 proposes methodologies to measure both the “Economic Dimension” and the “Social Dimension” of Culture. As explained in Section 2.2, the Social Dimension, intends to capture the elements of culture that are outside the economic sphere, including public' participation in cultural activities.

The instrument FCS09 suggests to measure the participation component is the implementation of “time use surveys”. The FCS09 proposes a number of codes for the cultural component of time use, following the classification system ICATUS (same in Morrone, 2006). As far as we were informed, INECV is about to launch its first time survey. The structure of this time survey and the classification system adopted there are not of our knowledge. But a simple recommendation to better map the social dimension

of culture in Cape Verde would be to adapt the “time use” survey so as to include the items listed in the FCS09.

As a complement, it could help measure the social dimension of Cape Verdean festivals by extending the “event surveys” proposed above to account for the receptor/public perspective.

6. Conclusions and final recommendations

The aim of this study was to measure the contribution of activities related to culture to GDP, employment and international trade in Cape Verde. To do so, we departed from the FCS09 framework and we implemented some adaptations in order to better capture the concept of culture used by the Ministry of Culture. In short, we added a domain for intangible cultural heritage that does not manifest in the basic domains (L'), we enlarged the perimeter of crafts with the new domain C' and we sized down the partially cultural and transversal domains "Sports and recreation", "Tourism" and "Education and training".

For the scope of this study, the Ministry of Culture provided estimates for the impact of festivals and pilgrimages on all kinds of non-cultural employment, as an attempt to size the cross-sector externalities. However, these figures are likely to be plagued by sizeable double counting.

The data provided by the Ministry of Culture points to 10.6% of the labour force, when restricting attention only to the cultural domains. In this figure, the component of "Performance and Celebration" stands out as the larger cultural sector, with four occupations ranging amongst the six cultural occupations employing more people (musicians, other performing artists, dancers, singers). A further inspection inside the category C' - "Other crafts" suggests that the class of textiles should be excluded from it. This implies a downward revision of the size of cultural employment to 10.3% of the labour force (or to 11.5% of the employment). Still, this figure is very high when compared to other countries (2.6% of employment in Portugal, and from 1% to 3% in most European countries)²⁵.

In general, we observe a low firm size across the different cultural sectors and a high level of informality also, with the two variables going in general together. Looking inside the classes we observe however some notable exceptions, with the presence of large and formal firms, for instance in the activities of "television and broadcasting" and "other activities of information services".

Splitting the data on occupations according to their function in the culture cycle, we observe that almost three fourths of cultural occupations are related to the process of "production", and that most of the remaining one fourth refers to the "creation" function. Despite the limitations in the data, these figures are impressive as an illustration of the positioning of the cultural sector of Cape Verde in the two very first phases of the culture cycle.

In Cape Verde, the size of international transactions of cultural goods is small. As for imports of goods, the items "books", "TV-sets" and "computers" stand out. The collective weight of cultural imports is 2.5% of total imports. On the exports side, there are no cultural items, as defined in the original FCS09 perimeter. Enlarging the perimeter of culture, a sizeable exporting sector related to "L" emerges, mostly accounted for "Preserved fish". The fact that this domain refers to intangible heritage implies that the corresponding tangible figures have to be interpreted with caution. As

²⁵ Mateus (2010), European Commission (2011), Table 4.2.

for the other added domain, C' – “Other crafts”, we have reasons not to include the two main exporting sectors (shoes and textiles), which turns of crafts into the negligible territory.

In this report, we include recommendations for the building up of a statistical database for the sector of culture, which basically build up on the methodology proposed in the Interim Report [IRa]. From what we learned, with the existing databases at INECV, we believe it is technically possible to measure with a reasonable degree of reliability both the formal and the informal cultural sectors in Cape Verde, without departing significantly from what is proposed in the FCS09, as far as the economic dimension of culture is concerned.

The information on these databases could then be complemented with information collected directly by the Ministry of Culture (“event surveys” and information regarding copyrights paid by publishers abroad). As for the social dimension, the fact that INECV is about to launch a time survey, an opportunity exists to include the items necessary to map the participation in cultural events, as proposed in the FCS09.

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