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Katapult
CREATIVE ACCELERATOR PROGRAM

THE STATE OF ARMENIA'S CULTURAL AND CREATIVE ECOSYSTEM

A NEEDS ASSESSMENT AND ECONOMIC ANALYSIS REPORT

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ABBREVIATIONS

AGBU	Armenian General Benevolent Organization
AMD	Armenian Dram
CATI	Computer Assisted Telephone Interview
CAWI	Computer Assisted Web Interview
CCIs	Cultural and Creative Industries
CDIS	Culture for Development Indicators
COICOP	Classification of Individual Consumption by Purpose
EU	European Union
FGD	Focus Group Discussion
GDP	Gross Domestic Product
HH	Household
ILCS	Integrated Living Conditions Survey
IP	Intellectual Property
ISCO	International Standard Classification of Occupations (ISCO)
KII	Key Informant Interview
KPI	Key Performance Indicator
LFS	Labor Force Survey
MESCS	Ministry of Education, Science, Culture and Sports of the Republic of Armenia
NACE	Statistical Classification of Economic Activities
RA	Republic of Armenia
SMM	Social Media Marketing
UNESCO	United Nations Educational, Scientific and Cultural Organization

EXECUTIVE SUMMARY

This report is the result of Katapult's first year of in-depth research on Armenia's Cultural and Creative Industries (CCIs). With the world now confronted by ever more complex and interlinked development challenges, we want to ensure Katapult is implementing evidence-based programs and delivering data-driven strategies and recommendations to policy makers. Having this research provides us with a baseline for adjusting and/or justifying our program directions.

Vanuhi Malkhasyan's performance in 2019.
Photo by Ed Tadevossian

Our research goals were twofold: 1) To implement Needs Assessment Research in order to validate and/or negate the program's assumptions about the overall CCI ecosystem. 2) To conduct an Economic Study to map Armenia's creative economy and assess its growth potential.

For our Needs Assessment, the study investigated challenges and assumptions that were made following our literature review of existing research, and after consulting various CCI representatives and partners. These assumptions include:

There is a lack of adequate business and entrepreneurship education among creative professionals (to meet the market demands), inhibiting their capacity for growth and income generation.

There are infrastructural barriers to the development of creative business, primarily linked to the support sectors of logistics, e-commerce, and law.

Few platforms exist in the country for promoting, exhibiting, and selling creative products from Armenia, and international platforms have prohibitive costs.

There is poor policy for the sector due to a lack of a lobbying body and/or mechanisms for uniting the sector.

The Katapult research team collected information regarding attitudes and perceptions from representatives of Armenia's CCIs via focus group discussions (FGDs), one-on-one interviews, a telephone survey, and self-administered survey. These perceptions were gathered across various CCI sub-sectors, organizational types, and sizes, involving input from both employers and employees. This was done in order to identify barriers to economic growth within the sector. The results were triangulated with secondary research, and have informed our program design, which we've refined and piloted over the past few months to provide more effective support systems for the sector.

Our Economic Study looked at the following economic indicators:

Contribution of the CCIs to Armenia's national GDP

Number of individuals employed in the CCIs in Armenia

Armenia's cultural consumption

Our research revealed a number of issues blocking the economic development of the CCIs, including a lack of adequate/supportive legislation, a lack of a robust cultural strategy and governance system, disconnect between creative and cultural higher education offerings and market demands, issues with e-commerce, international shipping, exports, and the promotion of CCI products and services. The country's national strategies perceive culture as the sole responsibility of the state, with

no roles given to the private and NGO/civic sectors. There are no tax incentives and supporting policies to attract investments and registration of businesses in CCIs. Furthermore, while the nominal value of state funding for the cultural sector appears to be on the rise, the share of that funding to the GDP has been steadily decreasing since 2015. Overall state funds to culture have not been enough to support growth in the sector especially following COVID-19 and the 44-day war. Other significant shortcomings include the need for infrastructure upgrades, fair compensation for employees in the CCIs, and sufficient funding for organizing cultural and promotional events both domestically and internationally. Household cultural consumption is also likely underreported, although it is presumed to be significantly lower than that of European countries.

The recommendations stemming from our research are aimed at boosting the economic development of the CCIs in Armenia. They encompass the following key points:

- *Formulating a robust and long-term development strategy for CCIs, positioning them as a strategic development priority akin to the IT industry.*
- *Allocating increased and more targeted funding to the realm of culture, with the establishment of key performance indicators (KPIs), greater accountability, and transparent, competitive state tendering mechanisms. These mechanisms should not only facilitate the participation of larger, more experienced firms but also smaller enterprises and startups.*
- *Introducing tax incentives for businesses and non-profit organizations operating across various CCI sectors.*
- *Revising the curricula of the country's higher and vocational educational institutions in the spheres of CCIs according to international standards and market needs.*
- *Enforcing the protection of intellectual property laws and creating mechanisms, with the use of new technologies and digitization, for higher transparency and accountability related to generation and the distribution of royalties.*
- *Providing CCI representatives with access to legal services, supporting them with exports and promotion.*
- *Developing art criticism in the country.*
- *Improving the national data collection/reporting systems pertaining to CCIs.*

Findings from this study will be used to raise awareness of the challenges faced by CCI stakeholders, including individual artists, designers, and creatives, along with performance spaces, theaters, cinemas, museums, art galleries, recording studios, and others. These findings are made accessible for the advocacy of developing and implementing policies in support of the sector and to provide practical tools and guidebooks to educate creatives and counter misinformation.

INTRODUCTION

ARMENIA AT A GLANCE

Armenia is an independent, democratic, landlocked country in the South Caucasus region of Eurasia, bordered by Georgia to the north, Iran to the South, Turkey to the west, and Azerbaijan to the east. Its Constitution was adopted on July 5, 1995, and it currently operates with a parliamentary system.

Geographically, Armenia is divided into 10 marzes (regions), with the capital city of Yerevan, which is also accorded regional status. The regions are further divided into urban and rural communities, while Yerevan is divided into districts.

Armenia has a population of about 3 million people (2,976.8 thousand as of January 1, 2023), with 63.8% residing in urban areas, including Yerevan, which boasts a population of 1,098.7 thousand inhabitants.[1] Until recently, the country experienced a population decline due to a high level of emigration following the dissolution of the USSR and ongoing challenges in the geopolitical and socio-economic landscape. The population was also notably impacted by the COVID-19 pandemic, resulting in 8,733 deaths by March 2023. Additionally, a 44-day war over Nagorno-Karabakh, initiated by Azerbaijan on September 27, 2020, led to approximately 4,000 deaths. However, in recent years, there has been a significant influx of individuals, especially from Russia (about 110,000),[2] following the launch of the Russian "special military operation" in Ukraine in February 2021.

The majority of the population in Armenia is of ethnic Armenian descent (98.1%). Other major minority groups in the country include Russians, Yezidis, Kurds, Assyrians, Greeks, Ukrainians, Jews and others.[3]

Today, an estimated 7 million Armenians live in more than 100 countries around the world,[4] which is more than twice the population living within its borders. Armenia boasts the largest diaspora, proportionally, among all former Soviet states, with a significant concentration in Russia, the United States, and France.[5]

During the former Soviet Union, Armenia's economy operated under central planning, prioritizing government-set goals over entrepreneurial initiatives.

View from the Armenian National Opera and Ballet Theater balcony, 2018.
Photo by Ed Tadevossian

1 ArmStat, Socio-Economic Situation of RA, "Chapter 5: Social Demographic Annex," (January-December 2022), **https://www.armstat.am/file/article/sv_12_22a_510.pdf**

2 The estimate of Russians immigrating to Armenia during this time varies depending on source. Vahan Kerobyan, the RA Minister of Economy estimated about 110,000. See: Alexander Ryumin, "More than 100 thousand Russians moved to Armenia in 2022," TASS, March 16, 2022, **https://tass.ru/ekonomika/17280447**

3 The Government of the Republic of Armenia, "Demographics," Armenian government website, (as of January 1, 2023), **https://www.gov.am/en/demographics/**

4 RA Office of the High Commissioner for Diaspora Affairs website, (as of November 20, 2023) **http://diaspora.gov.am/en/diasporas**

5 UNHCR, Foreign & Commonwealth Office, (as of November 20, 2023) **https://www.refworld.org/pdfid/55375ae94.pdf**

Consequently, the country's Cultural and Creative Industries (CCIs) faced limited business development during this period.

This lack of business preparation left the CCI sector ill-equipped for the subsequent shift to a market-oriented approach after the Soviet era. Struggling to align with business practices, the sector faced challenges adapting to the competitive business environment.

The absence of a business-oriented foundation within the CCIs during the Soviet era mirrors the broader economic and ideological context of that time. The legacy of this approach continues to affect the sector's development trajectory, shaping its challenges and opportunities as it transitions to more market-driven economies.

Armenia's overall economic development today is constrained by its geopolitical context, lack of regional security, and significant structural limitations such as weak connectivity, closed borders, and the absence of economic relations with two of its four neighbors. Other challenges include a high unemployment rate, disparities in skills, and issues related to firm competitiveness.

According to ArmStat data, as of 2021 the national GDP composition in Armenia is as follows: 11.3% in Agriculture, Forestry and Fishery; 20.1% in Industry (including energy); 6.5% in Construction; and 51.1% in Trade and Services. The remaining 11% comprised taxes on products, with subsidies excluded. The share of a common sector called "Culture, Entertainment and Leisure" in 2021 reached 3.1% of GDP, compared to 1.3% in 2012 and 5.6% in 2018-2019.

Armenia has a rich and ancient culture dating back thousands of years and which is heavily influenced by its Christian heritage. This influence is seen in its ancient monasteries and churches, illuminated manuscript tradition, "Khachkar" stone carvings, and other forms of religious craftsmanship such as silversmithing and textiles.

While Armenia's contemporary artistic traditions are lesser known globally, it boasts an active cultural life across music, dance, theater, performance, and visual arts and crafts. Armenia also has a long tradition of literature, dating back to the fifth century and is famous for its cuisine, which is heavily influenced by its geography and history.

Overall, Armenia's culture is a rich and diverse tapestry that reflects its long history and its location at the crossroads of many different civilizations. Throughout its history, Armenian culture has served as a vital means of preserving national identity and fostering unity among the international Armenian community. Armenians recognize the importance of their culture for the survival of a small nation, and their cultural legacy is evident throughout their historical homeland, leaving an indelible mark.

THE CULTURAL AND CREATIVE INDUSTRIES: WHY THEY MATTER

Since the 1990s, the UK has led efforts in mapping the activities and economic potential of the Cultural and Creative Industries (CCIs). This initiative was led by Tony Blair and the Creative Industries Task Force (CITF), operating under the Department for Culture, Media and Sports (DCMS). Their research found that the CCIs were London's second-largest economic sector after the Financial sector. This discovery sparked serious policy changes and research efforts throughout Europe. Subsequently, the European Union has since committed substantial funding to research and programs aimed at developing the EU's creative industries. Their research can be distilled to the following core conclusions:

- *Creativity, culture, and innovation are interconnected and have significant economic impact.*
- *The CCIs are estimated to be responsible for over 3% of the EU's gross domestic product and are the largest employer of the EU.*
- *The 21st century economy is characterized as an "idea economy" that relies on the remuneration of intellectual property, highlighting the growing importance for understanding the CCIs.*

Understanding the value of the CCIs and assessing Armenia's creative economy in comparison to global creative economies has been a main interest of the EU. The initial steps were taken in 2015 with a research effort to map the CCIs in Armenia, according to the UNESCO definition. This research revealed that the Cultural and Creative Industries contributed 3.3% to the country's GDP in 2014,[6] although it was considered to be a conservative calculation due to challenges in data reporting and retrieval. The study also forecasted that this figure would grow. Since then, other research on the development of Armenia's CCIs was undertaken by organizations such as Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the Smithsonian Institute, the Idea Foundation, and the Armenian General Benevolent Union (AGBU) to better understand their socioeconomic potential and development.

This research has served as the foundation for shaping today's Katapult Creative Accelerator Program ("Katapult"), an AGBU program implemented in partnership with Creative Armenia, with the support of the EU, to catalyze Armenia's creative economy. Katapult is a three-year program that officially launched in July 2022 and will continue until April 2025.

6 UNESCO Culture for Development Indicators: Armenia's Technical Report, (2017), p 10. **https://www.culturepartnership.eu/upload/editor/2017/Policy%20Briefs/171128%20CDIS%20Armenia%20Technical%20Report%20English.pdf**

PART I
NEEDS ASSESSMENT

For our Needs Assessment, we researched four key areas in response to the ecosystemic assumptions and challenges which shaped the Katapult program design.

These areas are:

The availability of entrepreneurial and business/management education in Armenian creative higher education

Current virtual and physical platforms for the promotion of cultural and creative events, creators, services, and products

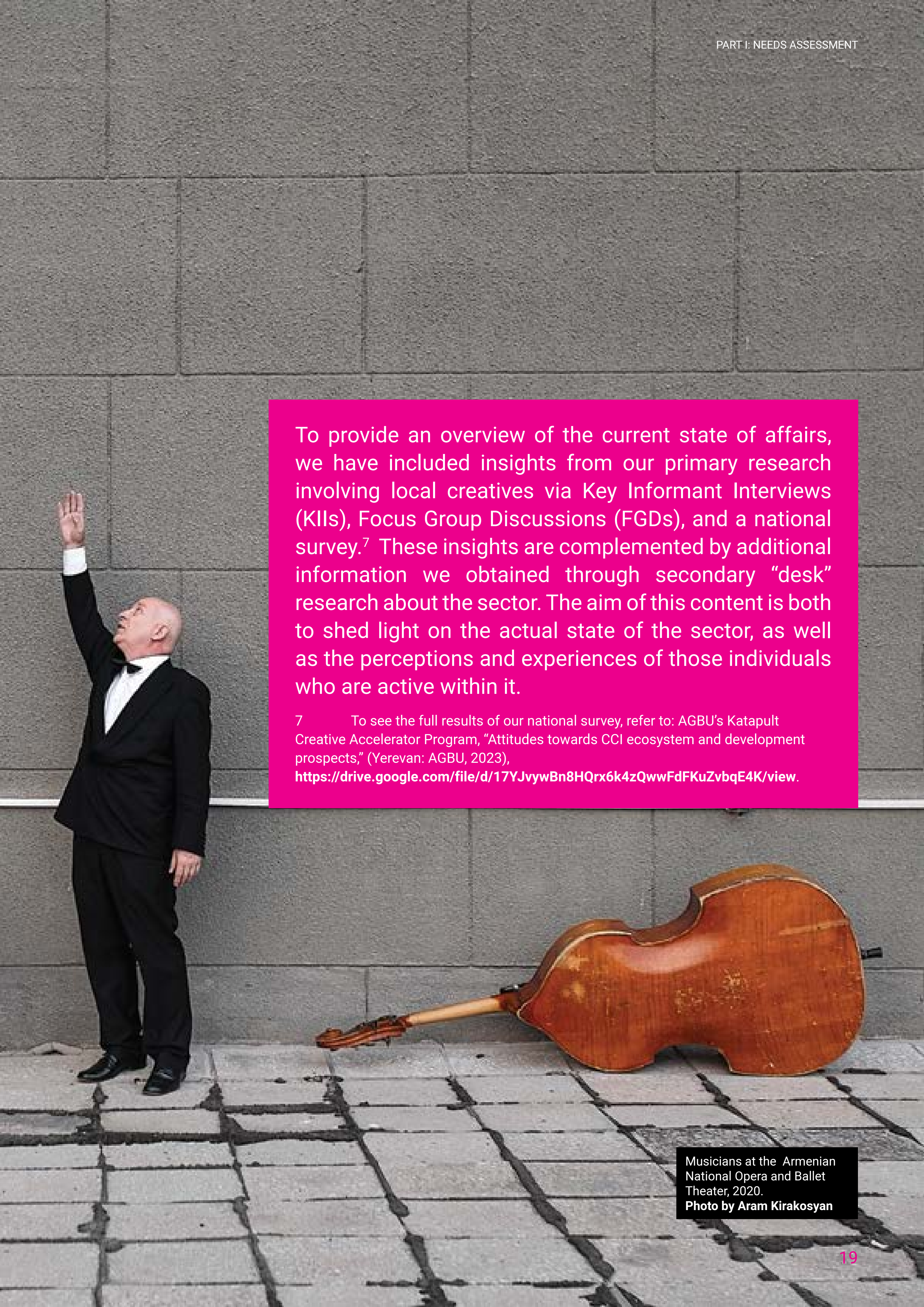
The availability and costs (when available) of existing support sector services in logistics, e-commerce, and law

Cultural policy as evident via national strategies, action plans, and agencies designated for the lobbying and organizing of the cultural and creative sector

An evaluation of each, follows.

To provide an overview of the current state of affairs, we have included insights from our primary research involving local creatives via Key Informant Interviews (KIIs), Focus Group Discussions (FGDs), and a national survey.[7] These insights are complemented by additional information we obtained through secondary "desk" research about the sector. The aim of this content is both to shed light on the actual state of the sector, as well as the perceptions and experiences of those individuals who are active within it.

7 To see the full results of our national survey, refer to: AGBU's Katapult Creative Accelerator Program, "Attitudes towards CCI ecosystem and development prospects," (Yerevan: AGBU, 2023), **https://drive.google.com/file/d/17YJvywBn8HQrx6k4zQwwFdFKuZvbqE4K/view**.



Musicians at the Armenian National Opera and Ballet Theater, 2020.
Photo by Aram Kirakosyan

1. UNIVERSITY-LEVEL ENTREPRENEURIAL AND BUSINESS/MANAGEMENT EDUCATION FOR CCI WORKERS IN ARMENIA

In our FGDs, a primary concern voiced across the Cultural and Creative Industries was the lack of cultural managers needed to professionalize the sector. This perception was further confirmed by our quantitative national survey conducted among CCI businesses. Specifically, **managers (including sales managers)** and **marketing/social media marketing (SMM) specialists** were ranked as the most essential employees needed to increase organizations' profitability, as depicted in Figure 1.1..

FIGURE 1.1: SPECIALISTS NEEDED TO INCREASE ORGANIZATION'S PROFITABILITY

"We need well educated art managers, and to provide them with a decent income. [...] In addition, arts managers of public institutions should be able to do long term planning and budgeting. They should have fundraising skills [...] and development departments to raise funds from international sources, get grants, private investments, sponsors, etc."

– Performing Arts sector representative

NOTE

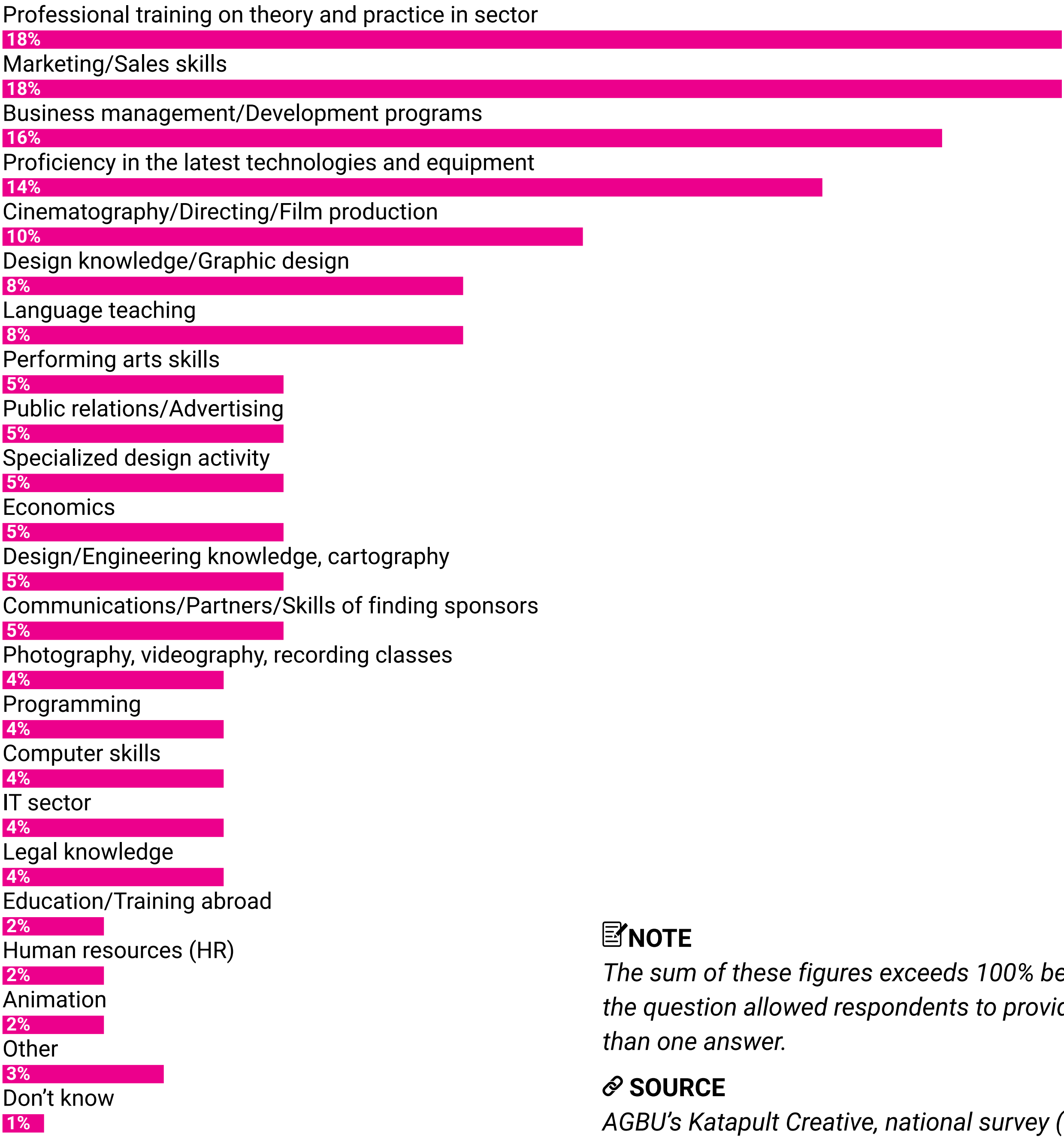
The sum of these figures exceeds 100% because the question allowed respondents to provide more than one answer.

SOURCE

AGBU's Katapult Creative, national survey (2023).

Furthermore, 70% of surveyed organizations agreed that their staff need further training to perform better and/or develop their business. When asked what training would enhance staff performance, respondents' top three choices were: **professional practical and theoretical knowledge** (18%), **marketing/ sales skills** (18%), and **business management/development programs** (16%). See Figure 1.2 for more details.

FIGURE 1.2: NECESSARY TRAININGS TO PERFORM BETTER



NOTE

The sum of these figures exceeds 100% because the question allowed respondents to provide more than one answer.

SOURCE

AGBU's Katapult Creative, national survey (2023).

Perceptions on the education system from the sector show a general dissatisfaction with the state of secondary professional education in Armenia. When we asked CCI business owners to assess the quality of education in higher and vocational educational institutions, 67% responded that they felt practical knowledge of graduates was poor.

To further triangulate this perception, our research team implemented a curriculum audit of the availability of management and entrepreneurship programs across Armenia's creative higher educational institutions. Only state institutions were reviewed, other private or independently run educational NGOs and afterschool programs were not included in this study.

This audit was conducted in order to determine whether the institution had a specialized degree in a topic of cultural management and/or business. If they did not, we looked to see if the institution offered courses in a related topic to arts management, and whether those courses were optional or obligatory.

An overview of the current higher education reveals that there are three arts and cultural state universities in Armenia:

- *Yerevan State Institute of Theatre and Cinematography*
- *Yerevan State Conservatory after Komitas*
- *Yerevan State Academy of Fine Arts*

There are also four state universities that offer arts management faculties (departments) and/or degree programs:

- ***The Armenian State Pedagogical University after Khachatur Abovyan** has a Faculty of Culture and a Faculty of Art Education.*
- ***Yerevan State University** has an Art History and Culturology educational program within the Faculty of History.*
- ***National Polytechnic University of Armenia** has an Institute of mechanical machine-building, transport systems and design where they offer BA and MA Art courses on Design (interior design and industrial design).*
- ***National University of Architecture and Construction of Armenia** has several BA degree programs related to design (Design of Buildings, Graphic design, etc.) and MA degree programs related to design (Architecture and Design, Computer Design, Fine Arts).*

For the purpose of this report, we compiled the curricula of programs located in Yerevan, however, these universities also operate branches in other regions of the country. Examination of these universities' curricula show that the most complete educational programs on art and cultural management are available at the **Yerevan State Institute of Theatre and Cinematography** and at the **Armenian State Pedagogical University**. An overview of their curricula follows.

Yerevan State Institute of Theatre and Cinematography

This state university offers a bachelor's degree in "**Art Management**" that offers a number of courses related to management and marketing, including:

Art Management	Business Planning Management	Financial Management
Communication with Foundations	Advertising	Cultural Policy
IP Law	PR and Media Communication	Branding
Event Management	Psychology of Management	

Among optional specialized courses are:

Cinema Management	Business Communication	Project Management
Time Management	Theater	TV Management

Compulsory courses of the master's degree program include:

Management and Communication Skills	Media Literacy	Modern Methods
Cultural Management		

Optional classes are:

Cultural Globalization	Cultural Policy	Cultural Projects Design

Management courses are also available within other degree programs at the university, including "Fundamentals of Art Management" (which is compulsory for the Theatre Studies, Cinema Studies, and Scenario-Dramaturgy programs), in addition to optional coursework in Psychology of Management, Advertising, PR and Media Communication, as well as Business Communication.

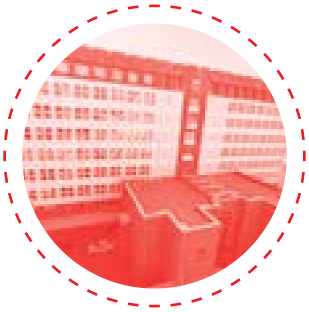
The Armenian State Pedagogical University after Khachatur Abovyan

This state university has a Faculty of Culture that offers a bachelor's degree program called "Management by Sector". This program offers the following courses:

Cultural Project Planning and Management	Organization of Cultural Activities	Funding of Cultural Activities
Management of the Cultural Sphere	Cultural Sphere Marketing	Cultural Personnel Management
Entrepreneurial Activity	Cultural Policy	Fundamentals of Management
Organization of Mass Events	Public Relations Management	Communication Means in the Field of Culture
Management of Cultural Policy Organizations	Business Planning and Tax Policy	Advertising in the Field of Culture
Leadership in the Field of Culture		

The same faculty has two master's degree programs for cultural management. The first one is called "Museum Work and Protection of Historical and Cultural Buildings," the second is called "Production Business."

Besides these two institutions, the other previously mentioned universities offer the following cultural management courses:



The Yerevan State Conservatory after Komitas

offers an optional course in Music Management.

The Fine Arts Academy

management courses are either optional or mandatory depending on the degree program.

The institutions with the most limited management offerings are the

National Polytechnic University of Armenia

which has a 4 credit Marketing course for Graphic Design students, and the

National University of Architecture and Construction of Armenia,

which offers a 5-credit Management course for master's level design students.

It is important to note that the lack of management education in culture has created a skills gap that many international agencies and local NGOs and foundations are attempting to bridge through training and workshop offerings. These offerings are frequent, numerous, and constantly changing, and therefore were not included in this study due to research limitations.

The government is also working to enhance these capabilities by providing short-term educational programs. For instance, the Ministry of Education, Science, Culture, and Sport (MESCS) offers special courses in PR, marketing, and fundraising specifically designed for employees of state cultural organizations.[8] The Ministry also implemented a pilot program linking students at the Armenian State Pedagogical University, and Yerevan State Institute of Theatre and Cinematography, with cultural organizations.[9]

8 The Armenian Government committed to "Implementing 'Managerial Capacity-Building' courses with the participation of 30 representatives of 18 SNCOs per year." This was organized in 2021, however there is no available information that it is ongoing. See: "2021-2026 Action Plan of the Government of RA," Armenian Government website, Chapter: Culture, Section 40.3, (2022) p.319, **https://www.gov.am/files/docs/4740.pdf**.

9 "Art Management program participants will be provided with platforms to put theoretical knowledge into practice," MESCS website, March 4, 2022, **https://escs.am/am/news/11760**.

CONCLUSIONS & RECOMMENDATIONS

Our curriculum audit revealed that the **Yerevan State Institute of Theater and Cinematography** and the **Armenian State Pedagogical University** have a more complete array of CCI management coursework, whereas other State educational institutions have a varying and less in depth range of offerings, which are often optional. This discrepancy supports the assumption that there is an imbalance in CCI students' access to management education at the university level.

This is further supported through our primary research conducted with CCI representatives, where we found a general dissatisfaction with the practical and theoretical knowledge of young graduates. Additionally, it was emphasized that expertise in areas such as production, management, business development, sales, and marketing is essential for improving income generation and sustainability across cultural organizations and businesses.

Despite the availability of some cultural management type courses, these courses have not had a noticeable impact on the market. This may be a result of poor quality coursework, low teacher wages, a lack of practical/applied coursework, or symptomatic of a disconnect between the educational and business sectors.

Based on these findings, we recommend the following actions:

Conduct further research

More research is needed to assess the quality of current cultural management education programs. A focus group discussion with CCI educational representatives could also offer insights into other possibilities for the limited impact existing programs have had on the sphere. These could include low salaries, inadequate number of trained specialists, and/or a lack of motivation to work in the sector.

Create new programs

After assessing the content and market demand for existing programs, proceed to develop new programs or specific faculties that are necessary to support the CCIs.

Cultivate State expertise

Institutional heads and policy makers should consider investing in and developing cultural management and business development expertise at the university level for a more robust and systemic impact in the sector.

"The Bambir" musicians at the Heruni radio-optic telescope in Orgov, 2020.
Photo by Aram Kirakosyan

2. PHYSICAL AND VIRTUAL PLATFORMS FOR PROMOTING THE CCI

As we embarked on this research, our second underlying assumption was that there are limited physical and virtual platforms for promoting Armenian CCIs. In particular, we were interested in platforms that promote, exhibit, and sell creative products originating from Armenia, and we assumed that participating in international platforms comes with prohibitive costs. In order to scrutinize these assumptions, we evaluated a range of physical and virtual platforms connecting Armenian arts and culture with both local and global audiences. These include the following:

- *Creative unions*
- *Online platforms for sales and promotion of arts and culture*
- *Art journalism and criticism*
- *International festivals, fairs, and expos in which Armenia participates*
- *Festivals, fairs, and expos organized within Armenia*

CREATIVE UNIONS

Armenian unions primarily follow a model established during the Soviet era, which centers around promoting and popularizing the creative endeavors of their members through festivals, exhibitions, creative gatherings, awards ceremonies, and other cultural events. Some examples include the Festival of Young Directors, Abovyan Theater Festival, Artavazd Prize, and salons hosted by the Artists Union, among others.

It is important to note that these unions generally do not function as trade unions. Contemporary professional trade unions typically include the added mission of safeguarding the rights of workers, enhancing their working conditions, negotiating wage revisions, and collectively communicating with management. The **Chamber of Architects of Armenia** (since 1937) is one exception to this tendency, as it develops, organizes, and facilitates professional standards, ratings, and educational programs for its members, in addition to protecting their rights. Similarly, the recently established **Fashion and Design Chamber** (since 2017) works to unify the sector and advocate for their development to suppliers and government representatives.

While Armenia boasts a diverse range of creative unions and creative professional organizations, we found through our national survey of CCI businesses and organizations that membership is not common. Only 6% of the individuals that responded to our survey reported being members of a professional union, and 12% of the organizations that responded to our survey reported membership.

The following is a list of national creative unions based in Armenia:

Armenian Actors Union	Artists' Union of Armenia	Writers' Union of Armenia
Union of Cinematographers of Armenia	Chamber of Architects of Armenia	Composers Union of Armenia
Theatre Workers' Union of Armenia	Union of Journalists of Armenia	Fashion and Design Armenia Chamber

During our focus group discussions, several CCI representatives emphasized the importance of the government increasing its financial support for creative unions. Participants felt that this support would empower these unions to better fulfill their role in promoting Armenia's arts and culture, both domestically and internationally, as well as expand the range of services they offer to their members.[10]

10 Several focus group participants expressed their desire for creative unions to expand their services, including safeguarding members' intellectual property rights, assisting in securing funding opportunities, offering workspace, and providing export support. There was a suggestion that existing trade unions should consider restructuring to meet these goals or that there should be the creation of new ones to address these needs.

Focusing on the promotional aspect of Armenian creative unions, we undertook a review of their websites, in recognition that websites serve as vital platforms for sharing, promoting, and disseminating information to both professional and general audiences.

> "The Composers' Union needs funding/grants to promote Armenian music/artists in the world. When a composer becomes successful this is due to his or her own initiative as there is no state support for this, nor is the Union of Composers able to promote this music. We have a broad international network, we participate in festivals in the USA, Belgium, Germany, but this is due to foreign support only. The Union needs funding to publish notes and record the music of composers."
>
> *– Music sector representative*

Our findings highlight several noteworthy observations. Firstly, the majority of these unions typically have around 100 members,[11] though the Chamber of Architects stands out with approximately 370 members representing both architects and constructors. We also found great variability in the inclusion of member information on these websites, with some providing such information while others do not. Of those that do provide member information, only some present creative biographies of their members, and many do not include contact information for their members. Moreover, the majority of these websites are only available in Armenian language. In cases where English versions exist, they often have sections that are incomplete or missing. This underscores a missed opportunity for these unions to broaden their promotional reach and connect information about their members, and the members themselves, with audiences and clients locally and abroad.

View of the Cafesjian Sculpture Garden on the occasion of the "International Jazz Day", 2017. **Photo by Ed Tadevossian**

An example of a well-designed union website that fully embraces these opportunities is that of the **Fashion and Design Chamber**. As of September 2023, their website features the profiles of 42 of their members, each including the designer's email addresses, social media accounts, professional biography, portrait, and a gallery of their work.

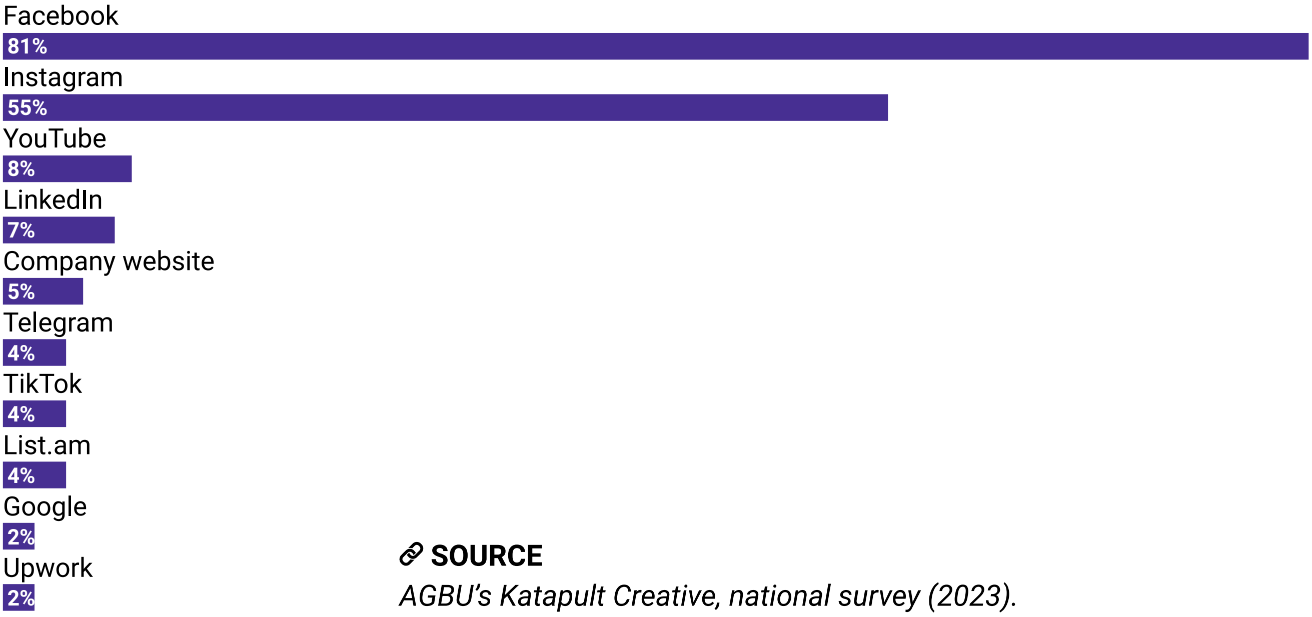
11 This was through an evaluation of creative trade unions that included their member information on their websites.

ONLINE PLATFORMS FOR SALES AND PROMOTION OF CULTURAL GOODS

In our national survey of CCI businesses and organizations, we found that the majority of respondents (81%) have used online platforms to sell or promote CCI products or services. Those in the domain of **Art Performances and Celebrations** were the most active users, with 97% reportedly using these online platforms.

Of the online platforms mentioned by respondents, Facebook and Instagram stood out as the most commonly used, at 81% and 55% respectively (Figure 2.1).

FIGURE 2.1: TOP 10 USED PLATFORMS FOR SELLING AND PROMOTING CCI PRODUCTS AND SERVICES



SOURCE
AGBU's Katapult Creative, national survey (2023).

While Facebook is the most popular social media tool in Armenia, its effectiveness in reaching broader audiences outside of the country is questionable. Though a robust platform for connecting users and amplifying their work, it has become less popular internationally particularly to newer generations and as a professional tool in general.[12] Additionally, through our national survey of CCI representatives, we observed that many Armenians lack the knowledge and skills needed to fully leverage social media platforms for networking, marketing, and sales within their creative fields.

Of existing platforms that are specifically designed for promoting and selling artwork, focus group participants cited the need for developing knowledge and expertise in working with such platforms. Among the platforms mentioned by CCI representatives during our focus group discussions were YouTube, iTunes, SoundCloud, Artsy, Saatchi Art, and Amazon/Kindle. Several concerns were voiced regarding technical and legal barriers to monetizing from these platforms, which we address in the e-payments/e-commerce section of this report.

12 See: David Leonhardt, "Facebook's Four Problems," New York Times, August 22, 2022, **https://www.nytimes.com/2022/08/22/briefing/facebook-metaverse-meta-problems.html**.

> "Online platforms are useful to show and sell our products. For instance, Artsy and Saatchi Art, but these require high subscription/ membership fees, thus, there is a need for a middleman to organize such online sales."
>
> *– Craft industry representative*

In the visual arts sector, FGD participants shared that internationally popular online marketplaces for showcasing and selling art often require subscription fees that are unaffordable for many Armenians. For example, Artsy, a widely used international online marketplace for visual art, charges a monthly fee reportedly ranging from $375-675, on top of a 10%-15% commission they deduct from each sale. [13] Moreover, artworks can only be sold through an approved existing gallery, leaving out independent artists.

That being said, we identified several websites explicitly designed for the sale and promotion of artwork by Armenian visual artists, offering a more accessible entry point for local artists. These online marketplaces include ArmenianArt.am, Armenian Artists Project (AAP), The Artfor's, and Buy Armenian. Each serves as a dedicated platform for artists and craftsmen to showcase and sell their work, while also providing buyers with a user-friendly experience to explore, learn about, and collect Armenian arts and crafts products. However, it remains uncertain to what extent these platforms can successfully tap into large international markets.

13 While Artsy doesn't publicly publish their rates, various sources report monthly rates ranging from $375-$675 per month, and commissions ranging from 10-15%. See: Paddy Johnson, "Smaller Galleries Frustrated [...]," The Art Newspaper, March 24, 2020, **https://www.theartnewspaper.com/2020/03/23/smaller-galleries-frustrated-by-digital-sales-platforms-as-dealers-move-business-online-due-to-coronavirus-lockdowns**.

ART JOURNALISM AND CRITICISM

Another area of concern with online platforms is the absence of online journals dedicated to covering Armenian cultural news and industry-related topics. The establishment of online arts journalism platforms could serve as a valuable means to globally disseminate information on these subjects in a critical and reputable manner.

Additionally, focus group participants from several CCI sectors highlighted the scarcity of cultural critics and journalists in the country available to contribute to these digital publications, and develop standards for quality in the local industry. FGD participants cited the need for critics to be trained, supported with adequate pay, and encouraged to work in the sector, adhering to high professional ethics and standards. Our national survey echoed these sentiments, with CCI representatives listing journalists among the top ten specialists needed to improve organizational profitability.

An overview of available online news platforms that have a dedicated culture section in English language include **Hetq** and **EVN Report**, while Armenian language platforms include **Arvestagir** and **Critical Review**. It is important to note that the only platform that publishes with regular frequency is EVN Report, and some platforms (like Critical Review and Arvestagir) seem to be inactive or unavailable as of September 2023.

"Although there are numerous online media/blogs, Instagram pages, there are no professional journalists and photojournalists which could cover [local fashion] news in an adequate manner. There is also a lack of fashion critics. We need to have better networking with foreign professionals [...] to exchange experiences and learn from them."

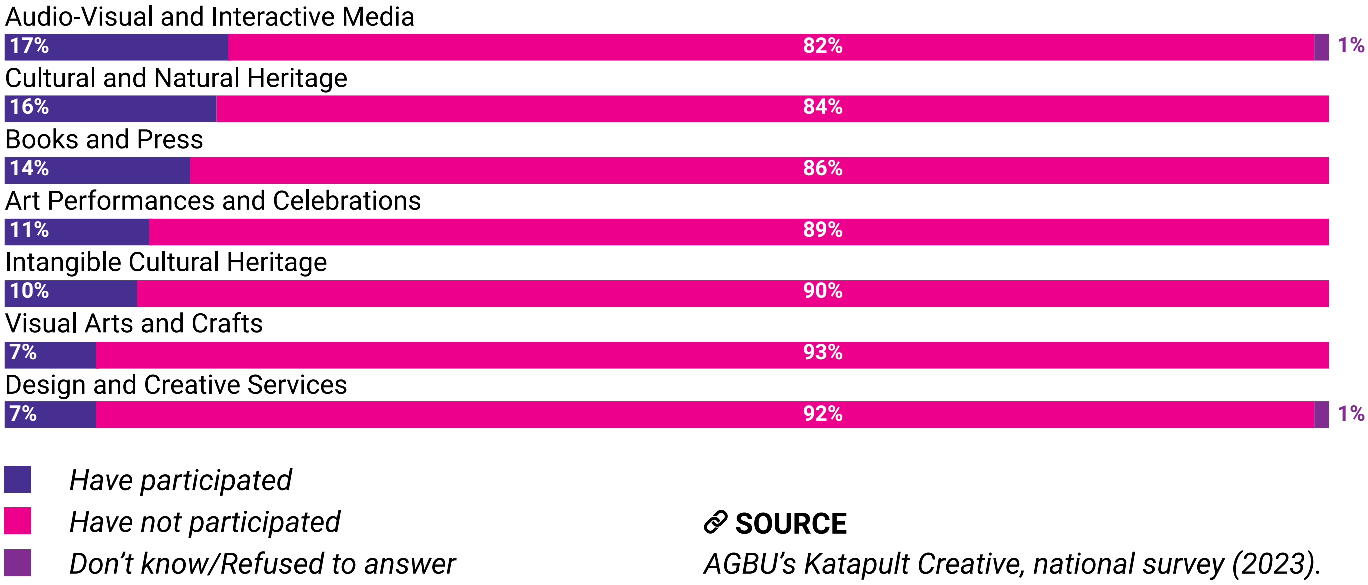
– Fashion sector representative

INTERNATIONAL EXPOS, FESTIVALS, AND BIENNALES

The country's participation in international expos, festivals, and biennales hosted abroad is important for the professional development and promotion of actors in the creative sector. National representation in such events also bestows prestige upon the country itself.

In our national survey of CCI representatives, the majority of respondents indicated that they had not participated in an international expo within the last three years (88%). The survey also revealed that participation in such expos is relatively more common among organizations in the Audio-Visual and Interactive Media domain (17%) and the Cultural and Natural Heritage domain (16%). See Figure 2.2 for details.

FIGURE 2.2: PARTICIPATION IN EXPOS ABROAD DURING THE LAST 3 YEARS

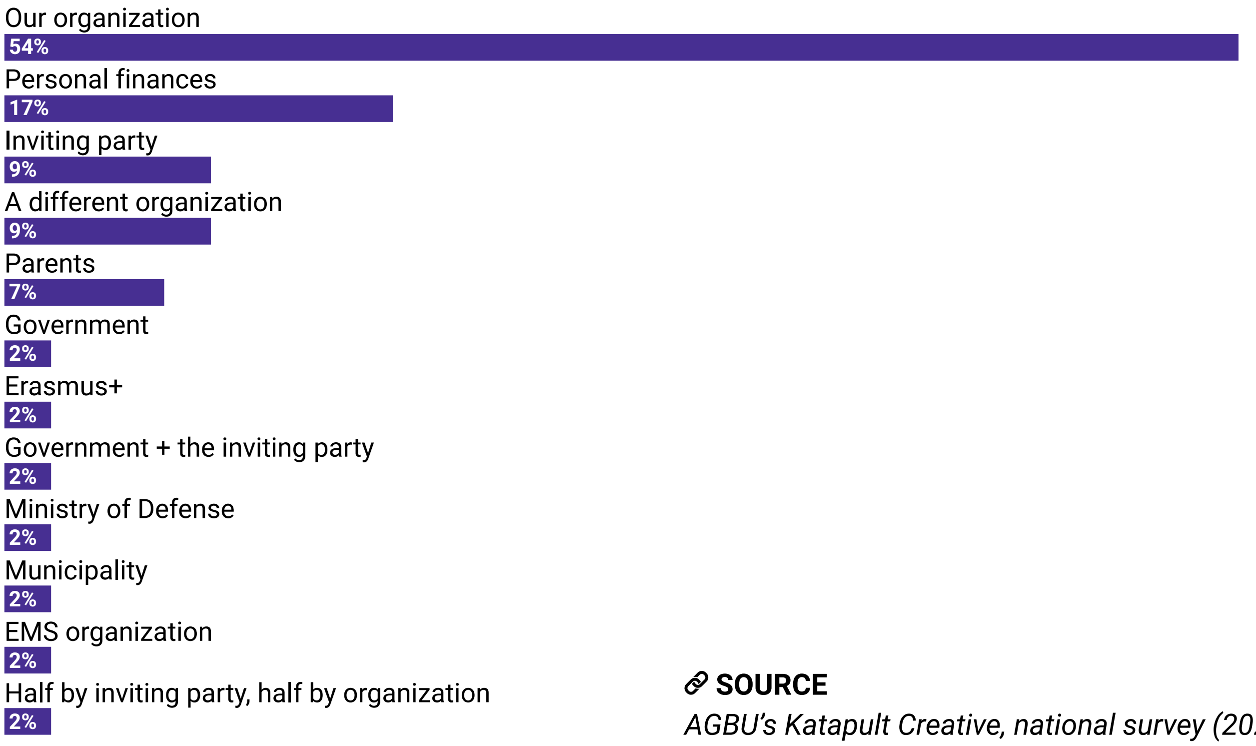


SOURCE
AGBU's Katapult Creative, national survey (2023).

Of the CCI organizations who participated in an international expo in the last three years, 54% covered the expo costs through their organization's budget. The second most common method of covering expo expenses is through personal finances. *This highlights a barrier to participation for CCI businesses, organizations, and individuals who may want to take part in international events, but face financial constraints.* See Figure 2.3 for more information.

The matter of expenses emerged as a concern among some focus group participants as well. They explained that while the state provides grants for fair and expo booths, it does not cover the expenses for travel and accommodation, which are often beyond the means of most Armenians. In addition to travel expenses, for those who do not receive state funding or grants to participate, added costs are incurred for shipping goods and paying the fees typically required for participation in such festivals.

FIGURE 2.3: SOURCE OF FINANCING COVERAGE OF INTERNATIONAL EXPO ATTENDANCE



SOURCE
AGBU's Katapult Creative, national survey (2023).

Another commonly raised concern among focus group participants pertained to the process of exporting goods to these events. Participants highlighted a dual challenge: a lack of knowledge among creatives about the processes required for exporting and importing CCI products, coupled with the complex and bureaucratic processes for doing so. This process involves extensive paperwork and the need to obtain various licenses and permissions from governmental authorities. We delve deeper into this topic in the Logistics and Shipping section of this chapter.

> "The goods that some Armenian craftsmen transport [by air] for expos are frequently confiscated by customs as they do not have corresponding documents, like temporary export/import regime papers. The customs officials require craftsmen going to expos to pay export taxes for their products while the latter are not sure if they will be able to sell those items there. And this is a burden for them."
>
> *– Visual Arts/Craft sector representative*

Focus group participants highlighted several additional obstacles to their participation in international events. These include difficulties in obtaining travel visas, limitations on international payment transfers (including e-payment tools like PayPal), a limited demand for Armenian cultural products in the global market, and a perceived lack of preparation and long-term planning by government officials responsible for securing national representations abroad.

An overview of the website of the Ministry of Education, Science, Culture, and Sports (MESCS) of Armenia shows national participation on a government level at the following events and highlights significant accomplishments:

Since 1995 Armenia has been participating annually in the **Venice Biennale**. Notably, in 2015, Armenia was honored with the prestigious Golden Lion award for the best national pavilion.

In 2021, Mariam Avetisyan, an Artsakh filmmaker, won the "Best Indigenous People's Film" and "Best Director Documentary Feature" awards at the **Cannes Film Festival**. In 2022, the National Cinema Center of Armenia also took part in the **Marché du Film**, the parallel event to the Cannes Film Festival.

Additional international fairs and expos recently promoted on the MESCS website include:

International Fair of Traditional Crafts (Bulgaria)	Frankfurt Book Fair (Germany)	Innovative Education (Iraq)	Moscow International Book Fair (Russia)

DOMESTIC EXPOS, FAIRS, AND FESTIVALS

National festivals play a vital role in promoting arts and culture in Armenia. In recent years, there has been a noticeable increase in the number of festivals held in the country, including those celebrating its intangible cultural heritage, such as *gata* (Armenian traditional bread), *dolma* (Armenian traditional dish of stuffed grape leaves and vegetables), and wine festivals. These diverse festivals take place both in Yerevan and across Armenia's marzes (regions). Art festivals of significant artistic importance and international recognition tend to primarily be concentrated in Yerevan.

"The Yerevan mayor recently cut the budget for music festivals. The Jazz Fest budget of Montreux, Switzerland is EUR 30 million, that of Vienna is EUR 20 million, in Tbilisi, EUR 2 million, and that of Yerevan Jazz Fest, it is 0 AMD."

– Music sector representative

During our focus group discussions, participants from various sectors within the CCIs emphasized the need for increased state support for these festivals. Concerns focused primarily on a need for better promotion, both nationally and internationally, as well as for financial support in order to ensure longevity and continuity of participation. In particular, promoting these events internationally was seen as a means to attract more tourists and visitors to the country, thereby bolstering the income of the CCIs, increasing tax revenue for the state, and injecting foreign currency into the country's economy.

"There is a lack of marketing budget in the sector, such as for the organizing of the Golden Apricot Yerevan International Film Festival. If relevant foundations or endowments could be created, this would boost this industry."

– Movie sector representative

The following is a selection of festivals that take place in and around Armenia. This is not a comprehensive list:

Yerevan Perspective International Music Festival	Yerevan International Music Festival	Armenian Composing Art Festival
Khachaturian International Festival	Armenia International Music Festival	Contemporary Classics Composing Art Festival
Symphonic Yerevan International Music Festival	Khachaturian International Competition	"Sevan" International Music Festival
Yerevan International Shakespeare Festival	Leonid Yengibaryan International Mime Festival	Golden Apricot International Film Fest
ReAnimania	Aré Performing Arts Festival	Armenia Art Fair
My Handmade Armenia	Diliton Arts and Crafts Fair	Christmas Art Fair
Fresco International Festival of Modern Art and Spiritual Films	International Print Biennale	Yerevan Book Fest

CONCLUSIONS & RECOMMENDATIONS

Our research reveals various challenges and opportunities in promoting Armenia's CCIs across various physical and virtual platforms. **Creative unions** present an optimal opportunity for organizing, informing, promoting and enhancing the capacities of their members. However, our research revealed low membership and a need for better financial support for these unions. Additionally, the operationality of creative unions varies in regards to their relevance and efficiency, and opportunities are missed for supporting their members, through website promotion and sales.

Within the realm of virtual platforms, the sector widely recognizes the importance and value of having a digital presence on **social media**, **online marketplaces**, and **online journals** to promote the sales and international visibility of Armenian arts and culture. Nevertheless, there is a need for new skills to enhance these activities, particularly in reaching and engaging with international audiences. There are also technical and legal barriers to monetization of some of the major international platforms, like YouTube, iTunes, SoundCloud, Artsy, Saatchi Art, and Amazon/Kindle.

In terms of **fairs, expos and biennales**, the sector confirms the importance of participating in such events both at an international and local level, but notes several key barriers. Firstly, long term planning and more funding are needed for both types of events. Secondly, international events often present visa challenges for participants. While the Armenian government consistently invests in Armenia's presence at various international fairs, it is unclear how the government prioritizes and selects which fairs to participate in, and with what long term frequency or consistency.

Based on these findings, we recommend the following actions:

Establish qualifying standards for creative unions

We recommend that the government set clear qualifying standards for the establishment and operation of cultural unions, including requirements for having sustainable income generation and/or more effective funding mechanisms to keep them active and able to serve the CCI community more effectively.

Increase support for creative unions

Government, the private sector, and the civil society should work together (implementing various projects and generating income from various commercial activities) to improve the services provided by creative unions, bolstering their ability to provide support to their members. This could include social, legal, logistical, and financial assistance to their members, as well as updating their websites to better serve and represent them. Empowered unions could also guide the government toward the most important expos for sector development and assist members in navigating travel and import/export challenges, such as visa processes and customs support, for these events.

Invest in cultural criticism development

To promote cultural awareness and education as well as to stimulate demand for Armenian art and culture, we recommend offering subsidies to existing Armenian online journals covering arts and culture. These subsidies will incentivize arts criticism and the training of arts journalists.

Create a multi-year cultural fund

To enhance cultural support, we propose the establishment of a dedicated State fund specifically for culture. This fund will facilitate improved planning for participation in international expos and local events. We strongly recommend implementing multi-year budgets, instead of annual ones, to enable long-term and strategic development of major international events both in Armenia and outside.

Consider global connections to empower cultural export

Evaluate Armenia's State properties outside the country, including embassies, residential properties, and diasporan organizational properties, as potential sources for exporting/hosting culture. Examine the feasibility of leveraging these assets to contribute to the nation's cultural export initiatives. Assess diplomatic and residential resources in the diaspora as strategic elements in enhancing Armenia's economic export capabilities.

Overall, these areas for development have the potential to work supportively together - creative unions as a mechanism for community organization and support, creative journalism as a tool for market development and cultural awareness, and virtual and physical marketplaces for offering creative platforms for promoting, exhibiting, selling and networking.

The artist Marcel Mayer woodblock printing at NPAK on the occasion of his solo exhibition in 2017.
Photo by Ed Tadevossian

3. Support Sectors for Armenia's CCIs

In this section of the report, we evaluate three sectors that are integral to supporting the cultural and creative industries:

Intellectual Property (IP) Law

E-commerce / E-payments

Shipping and Logistics

Each of these sectors play a crucial role in the CCI ecosystem's infrastructure and value chain, and if addressed, will have ripple effects on other aspects and challenges within both the CCIs and other industries.

INTELLECTUAL PROPERTY LAW

In the Republic of Armenia, the state body responsible for IP protection is the **Intellectual Property Office,** an Agency within the Ministry of Economy. While this department oversees IP legislation, it is not responsible for its legal enforcement.

In our research on existing IP laws in Armenia, we found that the main legislation responsible is the **Law on Copyright and Related Rights**, enacted in 2006. This law covers various creative works, such as music, performances, films, visual artworks, and more. It also extends its scope beyond the arts to include fields like the sciences[14] and establishes minimum payment rates for authors of different creative works.[15]

Copyright protection is provided by several Articles as well:

Article 9 of the **Law on Audiovisual Media** forbids broadcasters and operators from distributing audiovisual programs unless they hold the copyright or have obtained proper consent for distribution.[16]	Article 41.7 of the **Code of the Republic of Armenia on Administrative Offences** specifically addresses consequences for copyright infringement cases that result in property damage. This article establishes a specific fine that must be paid by the violator to the original author.[17]	Articles 158 and 159 of the **Criminal Code of the Republic of Armenia** also establish consequences for copyright infringement cases including designated fines, or correctional labor, or imprisonment. These cases are specific to instances of copyright infringement that result in large property damage or were carried out in the following ways: • via communication platforms • via coercion of co-authorship • executed by someone in a position of authority or power • planned in advance[18]	Article 150.6 of the **Tax Code of the Republic of Armenia** calculates a tax rate for income made via royalties at 10%, compared to the 20% taxation base. Article 4.34 of the Tax Code of the Republic of Armenia also establishes a legal definition for the concept of royalty.[19]

14 "The Law of the Republic of Armenia on Copyright and Related Rights," RA Ministry of Economy, **https://old.aipa.am/en/Copyrightlaw/**.

15 "RA Government's Decision on Public Performance of Creative Works[...]," Armenian Legal Information System, **https://www.arlis.am/DocumentView.aspx?DocID=32112**.

16 "Law of the Republic of Armenia on Audiovisual Media," Center for Freedom of Information, **http://www.foi.am/u_files/file/legislation/Law%20of%20the%20Republic%20of%20Armenia%20on%20Audiovisual%20Media%202020.pdf**.

17 "RA Code on Administrative Offenses of Armenia," Armenian Legal Information System, **https://www.arlis.am/DocumentView.aspx?DocID=170806**.

18 "Criminal Code of the Republic of Armenia," National Assembly of RA, **http://www.parliament.am/legislation.php?sel=show&ID=1349&lang=eng**.

19 "Tax Code of the Republic of Armenia," Armenian Legal Information System, **https://www.arlis.am/Annexes/5/Tax_Code_%20angleren.pdf**

Despite the presence of existing laws, 45% of respondents in our national survey believe that copyright violation is an obstacle in Armenia's CCI business environment. The **Visual Arts and Crafts** domain is the most affected, with 57% reporting interference. Furthermore, it was rated as a significant obstacle in terms of exports, with 19% of respondents expressing concern. This was especially pronounced in the **Arts Performances and Celebrations** domain, as well as the **Books and Press** domain, where 29% of respondents cited IP issues as barriers to international sales and exports.

CCI representatives in our FGDS and key informant interviews (KIIs) echoed the concerns raised by our survey respondents. FGD participants expressed their belief that **these laws are not well developed**, and a key informant from the legal field highlighted that multiple changes over time have rendered the law difficult to comprehend, leading to a recommendation for a law rewrite.

In multiple FGDs and KIIs, the principal problem highlighted with IP infringement is the **lack of an effective body for enforcing IP law and addressing IP infringement**. This issue was partly attributed to the **absence of a national copyright office** with the authority to impose penalties. This viewpoint was supported by a key informant who emphasized that while Armenia adheres to the **Berne Convention for the Protection of Literary and Artistic Works**,[20] which provides copyright protection across other Berne Convention member countries, it is not sufficient for ensuring copyright protection, particularly in the country itself. The establishment of a national copyright office would serve this purpose. The sector also observed a lack of knowledge and experience in Armenia's IP courts among judges and lawyers.

FGD participants also revealed **a monopoly in the field of copyright and royalties management** in the country, with ArmAuthor ("Hayheghinak") being the sole body responsible for managing copyrights and IP protection for decades on behalf of "authors, performers and phonogram producers."[21] Many CCI agents we interviewed believe this organization has been ineffective in safeguarding artists' rights and ensuring fair compensation.

These deficiencies have resulted in inadequate IP protection, thereby preventing the state, artists, and CCI businesses from collecting potential taxes and income generated through proper IP implementation.

"There are more than 200 online media channels and 22 radio stations in Armenia, and more than 1,900 local cable TV companies, most of which are not properly regulated/controlled by the state. They often violate the copyrights by stealing products from each other. The content of TV/radio companies is also not controlled by the state to make sure that they broadcast programs as per their licenses."

– *Telecom company representative*

20 See: "Berne Convention for the Protection of Literary and Artistic Works Accession by the Republic of Armenia." World Intellectual Property Organization (WIPO), July 19, 2020, **https://www.wipo.int/treaties/en/notifications/berne/treaty_berne_219.html**.

21 "Statutes of ArmAuthor," ArmAuthor (charter), **https://www.armauthor.am/en/documentation/charter.html**.

E-COMMERCE & E-PAYMENTS

"The most important condition for developing the creative sector is to promote sales: without sales you cannot get income or survive. All craftsmen have issues with sales. The more you produce the more you need to sell. And the only way to promote sales is to find a niche for export, and preferably online, via e-commerce."

– Visual Arts sector representative

Through our focus group discussions and desk research, we found that the current e-payment system in Armenia is user-friendly and accessible for domestic transactions, however, challenges arise when it comes to international transactions.

For domestic transactions, **TelCell** is the country's foremost instant payment system, facilitating transactions through self-service terminals and a mobile application. Additionally, **IDram** is the leading internet payment system in Armenian e-payments, allowing for transfers to bank accounts and bank cards within the country. IDram enables fast transfers through services such as Unistream, Moneygram, Ria Money Transfer, Moneytun, Intel express, and Telcell.

For international transactions, **PayPal**, one of the major global players in online payment systems, operates only partially in Armenia. While PayPal allows the sending of money and processing of refunds from Armenia, it does not allow users to withdraw cash. Several focus group participants mentioned that some Armenians register bank accounts in Georgia in order to establish PayPal accounts from which they can withdraw cash. This creates major difficulties and inconveniences for both local workers hired by foreign companies and for local artists trying to sell their work via online platforms. It also presents problems for businesses and organizations participating in international fairs and expos in other countries. A representative from the Central Bank of Armenia shared that there are several factors blocking PayPal from entering the Armenian market, including market size, potential for fraud, and business interests. While the bank has tried to lobby for PayPal, without success, they suggest that businesses like Visa and Matercard support the lobbying effort.

"When an online platform accepts only PayPal, then our shops located on these platforms cannot operate. We have to find ways to bypass this and it affects/ increases our costs."

– Visual Arts sector representative

In contrast to the opinions voiced by the creative sector, participants from the e-commerce sector were less concerned with PayPal. These representatives pointed out that even if the platform's full functionality became available in Armenia, the fees charged by PayPal to sellers (up to 5%) are about double the fees charged by VISA and Mastercard (about 1.5% to 2.5%). They felt that a more significant concern regarding e-commerce pertained to international shipping and the export of goods from the country, which we cover in the following section.

"The issue with boosting e-commerce for the sales of CCI products in Armenia is not so much related to PayPal or e-payments. The issue is with the logistics. We (Armenia) are in such a complex/remote geographical area where exporting/selling any item abroad (in many cases) costs more than the item."

– Banking sector representative

The fact remains that many prominent international e-commerce platforms do not support Armenian bank accounts. These platforms include YouTube, Amazon/Kindle, iTunes, SoundCloud, and several others. This exclusion not only impedes monetization opportunities for local creative talents and businesses, but also affects Armenians across various industries and requires collective lobbying efforts from policy makers, banks, and businesses. For further details on this topic and the strategies discussed by the e-commerce focus group participants, consult our FGD report.[22]

Armin Van Buuren concert in Yerevan, 2019.
Photo by Aram Kirakosyan

22 AGBU's Katapult Creative Accelerator Program, "Barriers to Economic Development of Creative and Cultural Industries in Armenia: A Needs Assessment Report," (Yerevan: AGBU, 2023), **https://drive.google.com/file/d/1iyfT5aPRNxptil5FyizIbg0XxjqPBPDa/view**.

For more information on e-payment services available in Armenia, along with the features available in the region, see Table 3.1.

TABLE 3.1: E-COMMERCE SERVICES IN ARMENIA

Service	Features	Available in RA?	Notes
G Pay	Pay in store	Y	
	Pay with your smartwatch	Y	
	Buy Google products	Y	
	Pay online or in apps	N	
	Send money to friends & family	N	Google Pay is available to send money in the US, India, and Singapore.
	Earn offers & rewards	N	Offers and rewards are earned in the Google Pay app in the US, India, and Singapore.
Pay	Apple Pay is accepted anywhere you see their symbol, in stores, apps, and on Safari. You can add your credit, debit, or prepaid cards from participating banks and card issuers	Y	AraratBank / ACBA Bank / Ameriabank / Ardshinbank / Armenian Economy Development Bank OJSC / Converse Bank / Evocabank / Inecobank / Unibank
PayPal	Sending money and refunds	Y	
	Receiving money	N	
xoom A PayPal Service	Online transactions - sending, receiving	Y	Send money to the top cash pickup locations throughout Armenia such as HayPost, Ardshinbank and Araratbank.
Wise	Sending money with a bank transfer, or a debit or credit card.	Y	The recipient gets money in their currency directly from Wise's local bank account.
idram	Receive fast transfer	Y	Unistream / Moneygram / ria / Moneytun / Intel express / Telcell
	Transfer to bank accounts	Y	Armenia
	Transfer to bank cards	Y	Armenia
	Transfer to IDPay accounts (Russian)	Y	Russia
	Transfer to Fora-Bank	Y	Russia
TELCELL	Send and receive money in Armenia	Y	
	Receive money from a card issued by a foreign financial institution	Y	for Express and Guru users
ria Money Transfer	International money transfer	Y	
UNISTREAM		Y	
MoneyGram		Y	

LOGISTICS: SHIPPING AND EXPORTS

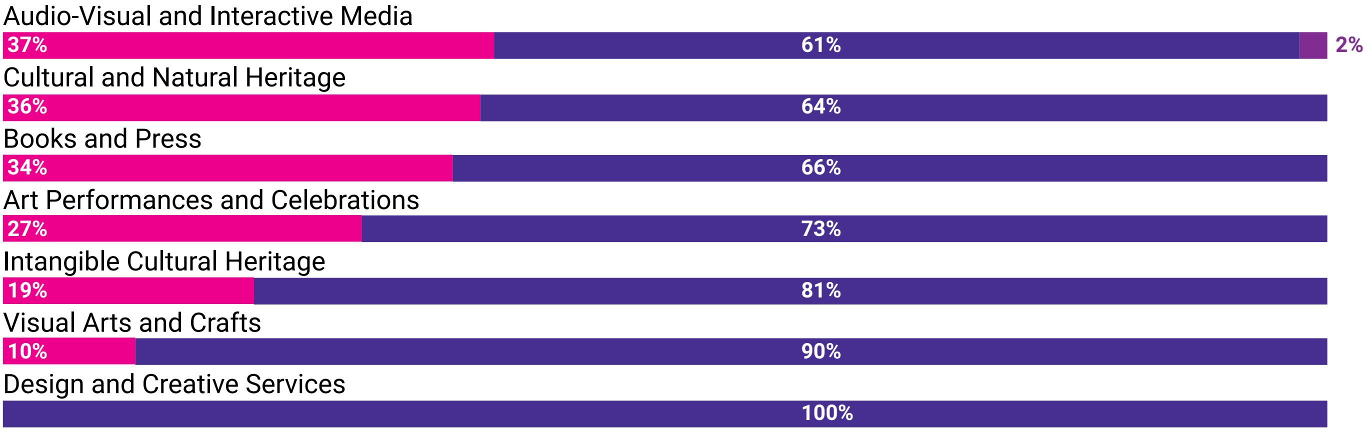
Efficient shipping and export procedures are of great importance for developing local and global markets, maintaining competitiveness, and adhering to international regulations. They serve as a pivotal element for expanding market reach to meet the demands of both local and global consumers.

Our national survey of CCI representatives revealed that high shipping and transportation costs are considered the fifth most commonly encountered obstacle for the development of the country's CCI economy and industry. This challenge ranks behind issues like access to funding, the high cost of materials, the quality of staff and managers, and the lack of professional networks.

> "The cost of shipping a coffee mug to the USA is ten times higher than the cost of the mug ($6 vs. $60 shipping costs). We have had 30-40 orders from the United States but we declined these orders due to such high shipping costs. Recently a buyer from Austria declined an order when he heard about such high shipping costs."
>
> *– Visual Arts sector representative*

When looking at CCI exports by domain, our survey revealed that those domains engaging in the most cultural export are **Art Performances and Celebrations** (37%) and **Audio-Visual and Interactive Media** (36%) (Figure 3.1). This is noteworthy because these sectors primarily export intangible assets like performances and digital products and services, and so do not have to contend with the logistical challenges associated with international shipping. The third largest exporter is the **Books and Press** sector. It is unsurprising that during focus group discussions, this sector expressed the most frustration regarding shipping challenges as a barrier to their growth, given their reliance on shipping physical products.[23]

FIGURE 3.1: SALES/EXPORTS OF CCI PRODUCTS AND SERVICES TO OTHER COUNTRIES



Exports
Does Not Export
Difficult to Answer

SOURCE
AGBU's Katapult Creative, national survey (2023).

23 Also of note, in response to this complaint, the logistics sector representatives expressed their own frustrations during their FGD, regarding the Publishing sector. They mentioned providing exclusive discounts to this sector as per the Universal Postal Union (UPU) regulations, which prevents them from generating any profit. Our observation suggests that additional state subsidies are necessary to support both parties in this exchange, as neither can profit under these conditions. Refer to the FGD Report for further details.

Other sectors also confirmed difficulties with shipping and pointed out that this is particularly true when shipping small quantities internationally. In such cases, the shipping cost can sometimes equal or even exceed the cost of the item being purchased, which can deter potential buyers.

As mentioned in the e-commerce/e-payment section, support sector representatives commented that shipping logistics is of greater concern to international sales than the availability of globally utilized e-payment systems. E-commerce representatives in our FGDs underscored that many Western buyers expect shipping within 2-3 business days, whereas shipments from Armenia can take several weeks to months to reach EU countries. Shipping company representatives attributed long shipping lead times and high costs to bureaucratic obstacles including unfavorable tax and customs regulations, complicated license and brokerage processes, as well as an overall limited number of cargo flights from Armenia to international locations.

"Our tax regulations are good for these small producers, but we need to improve the customs regulations to make the exports of their small quantities of products easier for them. Such small producers can join under one brand/ company to make the exporting easier for them."

– Shipping company representative

During our desk research of local and international shipping services, we found that domestic delivery services in Armenia have seen significant growth and development in recent years. The official national postal operator of Armenia, **HayPost**, provides various domestic and international postal services, which include the delivery of letters, packages, and parcels. Among its domestic offerings is the **Yerevan Express Service (YES)**, which provides pick up and home delivery within Yerevan. Additionally, their **Sprint** service is designed to support e-commerce within the country, by delivering small-sized domestic parcels weighing up to 2 kg at a maximum tariff of 1,040 AMD (approximately 2.5 Euros).

In recent years, the establishment of **Globbing, ONEX,** and **Wildberries**, has expanded e-commerce within the country through freight-forwarding or "reshipping" services. These companies serve as intermediaries for internationally purchased packages on the customer's behalf, receiving them at international warehouses and then forwarding the parcels to their final destinations. ONEX also provides export services, shipping products from Armenia to the USA and Russia, and offers a document export service to the EU as well.

Arkanel Company is the only shipping company in Armenia specializing in fine art and valuables (shipping from museums and private collections). It offers packing, handling, transport, shipping, as well as art insurance serving both local and international clients. While **DHL** and **FedEx** can be used to ship artworks internationally, they have several restrictions on the types/media and sizes of artworks. The only advantage lies in their guarantee for safe delivery and package tracking services. There are no special prices or privileges for delivering art items, and this is true for any international and domestic shipping and courier companies. Additionally, major shipping companies in Armenia, such as **Transimpex**, **Express Courier**, **Apaven**, do not provide special services for the art sector.

A NOTE ABOUT INTERNATIONAL EXPORT

When viewing data from our national survey, several conclusions can be made about the importance of developing international shipping infrastructure.

As previously seen in Figure 3.1, the top sectors involved in international export are **Art Performances and Celebrations**, **Audio Visual and Interactive Media**, **Books and Press**, and **Design and Creative Services.** Notably, all of these domains, except **Books and Press**, sell digital products and services, thus avoiding shipping/logistical challenges. What's more, it was reported that the **Audio Visual and Interactive Media** domain generates over 60% of its income from international clients. This underscores the importance of improving infrastructure for boosting international exports, as it would greatly influence income generation.

It's also important to note that our survey revealed that the top three countries to which respondents most frequently export are the United States (61%), Russia (50%), and France (22%). These countries also happen to have the largest diasporan communities, which suggests that personal networks are serving as the primary driver for international sales, especially in the absence of shipping infrastructure.[24]

These insights suggest a need for further research and development in the field of cultural exports, which was not the focus of this study or a key indicator in our Economic Study. Our team recommends further exploration of this topic, including a study of ArmStat data and statistics around cultural export. Insights from our FGDs also indicate that there is a large shadow economy operating within the shipping and logistics sector, particularly relating to the export of small quantity items shipped to Europe in the guise of "gifts." Understanding and tracking international exports is essential to understanding Armenia's creative economy and requires further, in-depth, study.

24 For a comprehensive chart of Armenian population numbers by country (with Russian and US populations based on each country's national census data), see: "Armenian Population by country," Wikipedia, last modified November 1, 2023, **https://en.wikipedia.org/wiki/Armenian_population_by_country**.

CONCLUSIONS & RECOMMENDATIONS

"Our company is currently negotiating with a large international company for digital distribution. There are issues with lack of corresponding lawyers, IP specialists, YouTube Managers, Digital Marketing Specialists to help us with these issues. We need to be able to agree with such companies on certain terms as there is a demand for our products. It is very expensive to train such specialists abroad."

– Music sector representative

The support sectors of Intellectual Property (IP) Law, E-payments, and Shipping and Logistics play a vital role in enabling the CCI ecosystem. Though they are not creative services in and of themselves, they provide the infrastructure and channels by which creative individuals, businesses, organizations and institutions can reach international audiences and markets, and monetize from their content. For this reason, we analyzed the state of the supply chain infrastructure from these three perspectives in order to understand Armenia's CCI enabling landscape.

Our research shows significant weaknesses in Armenia's **IP infrastructure**, particularly in its enforcement, hindering the economic development of the CCIs. While the IP Office within the Ministry of Economy oversees IP legislation, it is not responsible for the enforcement of IP rights, and there is no other body responsible for its enforcement. Furthermore, a poorly written Law on Copyright, and a lack of IP knowledge in the court system also contribute to weak IP protection infrastructure. For a nation that has publicly stated that it intends to become a knowledge-based economy, it is vital that Armenia invests in infrastructure to improve the protection of Intellectual Property rights.

We also found that Armenia has many effective **domestic e-payment solutions** for sending and receiving electronic money transfers within the country, but its international transfers and e-payments pose challenges. For example, Paypal, a widely used international e-payment platform, does not accept Armenian bank accounts, making cashing out unavailable in the country. Although VISA and RA banks have brought Apple Pay and Google Pay to the country, the creative sector continues to face challenges in monetizing popular online platforms. For example, the music, film, and journalism sectors cannot monetize from Soundcloud and Youtube, due to legal barriers that prohibit the use of Armenian bank accounts on their platforms, whereas the visual arts sector is excluded from global marketplaces like Artsy and Saatchi due to prohibitive costs.

While domestic **shipping** has grown significantly in recent years, with a variety of options available, international shipping remains expensive and timely, furthering barriers for international sales and exchange. A common concern raised by creative business owners is that the cost of shipping abroad often exceeds the cost of the item on sale. Additionally, when it comes to **exports,** burdensome and outdated customs procedures create significant barriers.

Some recent innovations within the international Shipping and Logistics sector include re-shipping services like Globbing and ONEX which have been able to by-pass barriers on platforms like Amazon that don't ship to Armenia, by forwarding purchased items to international warehouses.

Based on these findings, we recommend the following actions:

Create an IP enforcement body

Government should expand the scope of the current IP Office to include legal enforcement, or create a separate entity like a copyright office dedicated to monitoring and enforcing IP infringement.

Enhance legal expertise in IP

The Ministry of Education, Science, Culture and Sport should create an educational program to train lawyers and judges in IP, and specifically the nuances of the creative sector.

Invest in technological advancements for royalty payments

The government of Armenia, with the private sector (on a competitive basis), should invest in new technological and digital solutions to support more efficient and transparent processes for artist remuneration and royalties payout, that would eliminate human error and potential corruption.

Develop an intermediary e-payment solution

Building upon the model of re-shipping services like Globbing and ONEX, CCI representatives suggested that the government of Armenia, with the private sector (on a competitive basis), develop an intermediary solution to address the issue of e-payment challenges. Leveraging digital innovation through the creation of proxy accounts could potentially serve individuals seeking internationally recognized accounts in order to access creative monetization platforms like YouTube.

Explore business opportunities for coordinating collective CCI product shipments

Shipping timelines and costs could be reduced for the sector through the creation of intermediary companies or organizations that could facilitate the coordination of collective shipments of independent CCI products to international warehouses. This mechanism can be developed by Armenian companies in the private sector, in partnership with the State.

Educate creative businesses on import & export procedures and possibilities

It is recommended to improve awareness of the complex brokerage codes for the import/export of cultural assets to creative businesses. This can be facilitated through programs developed by Armenia's government with educational institutions, donors, or the private sector.

Conduct in-depth research on cultural exports

Although cultural exports were not a primary focus in this Needs Assessment study or a prominent indicator in our Economic Report, they hold immense significance for expanding the country's participation in international exchange. This can potentially drive substantial growth in other sectors and have a significant impact on the overall GDP. Our team recommends further exploration of this subject, including a study that utilizes data and statistics from ArmStat.

Leverage Creative Unions

One resourceful solution discussed by FGD participants is harnessing the untapped potential of collective coordination that Creative Unions could provide. For example, unions could organize the collective international shipping of goods and provide customs procedure education to their members. It is recommended to invest in the capacities of existing creative unions. Furthermore, it is recommended to establish a "Union of Unions", a network that would help create synergy across creative sectors, establish a best-practice standard for all unions, and address and advocate for shared barriers to growth for the sector to government.

4. CULTURAL POLICY IN THE REPUBLIC OF ARMENIA

According to our primary research, a top obstacle in Armenia's CCI business environment and overall cultural development is the imperfect legislative framework. Consequently, we examined the country's existing cultural policy landscape, assessing the involvement of government, nongovernmental entities, and the public in developing, advocating for, and implementing the nation's cultural strategy. Additionally, we reviewed several recent cultural strategy documents to gain a clearer understanding of the current vision for cultural development.

Exhibition preparations at Yerevan's artist-run district, "Art Kvartal", 2022.
Photo by Aram Kirakosyan.

GOVERNMENT BODIES IN THE CULTURAL POLICY LANDSCAPE

The most significant transformation in Armenia's cultural and creative sphere in recent years resulted from the restructuring of the state administration system, particularly the merger of the Ministry of Culture with the Ministry of Education and Science in 2019. Consequently, the sector is now under the governance of the **Ministry of Education, Science, Culture and Sports of the Republic of Armenia, (MESCS)**. Out of the 11 main departments of the MESCS, three are engaged in the field of culture: 1) Department for Cultural Heritage and Folk Crafts, 2) Department for Modern Art, and 3) Department for Protection of Historical and Cultural Monuments. These departments are authorized to carry out and implement cultural governance, including but not limited to the development of cultural legislation and programs for the preservation, dissemination, and development of Armenian culture. They also play a role in shaping foreign cultural policy, and have authority over the import and export of Armenian cultural assets.[25]

While this major restructuring in the cultural policy system had the goal of optimizing administrative structures and providing a more integrative and inclusive approach to culture, the change was met with criticism.[26] Negative public sentiment persists, as it was a common perception among CCI representatives in our focus group discussions that this restructuring resulted from the government's failure to prioritize culture. Moreover, they felt that this restructuring has continued to diminish the support structures that were previously in place for culture. Across several CCI sectors, representatives expressed the need to reestablish a distinct Ministry of Culture.

"There is no [separate] Ministry of Culture, and there is no capacity in the Ministry of Education, Science, Culture, and Sports to develop cultural strategy/ policies"

– Music sector representative

It is important to note that while MESCS is tasked with advocating for the cultural sphere as a whole, all matters related to creative manufacturing, industry development, and intellectual property rights/trademarks fall under the jurisdiction of the **Ministry of Economy**. As of 2022, two new departments were opened within this ministry, including the **Department of Knowledge Based Economy,** and the **Department of Light Industries.** The former consists of a policy development department and a research and analysis department, and relates to the Cultural and Creative Industries in that it also works closely with matters pertaining to Intellectual Property Rights. The Department of Light Industries has a sub-department focused on the **Creative Industries**,[27] which symbolizes an important shift in awareness of the growth and industrial potential of certain creative industries. In particular, this department has highlighted the importance of the textile and other related industries (like clothing, leather goods, and jewelry), and for which the ministry is in the process of developing a five-year strategy for industry development.[28]

25 Yulia Antonyan and Haykuhi Muradyan, Country Profile Armenia, (Association of the Compendium of Cultural Policies and Trend, January 2023), p.9, **https://www.culturalpolicies.net/wp-content/uploads/pdf_full/armenia/Full-Country-Profile_Armenia.pdf**

26 The new restructuring had a 92% disapproval rating on e-draft, the country's citizen participation platform for input on draft policies. See: "Drafts of the Law 'On Amendments and Additions to the Law of RA on the Structure and Activity of the Government' and related laws," Unified Website for Publication of Legal Acts Drafts, 2019, **https://www.e-draft.am/en/projects/1503/digest**.

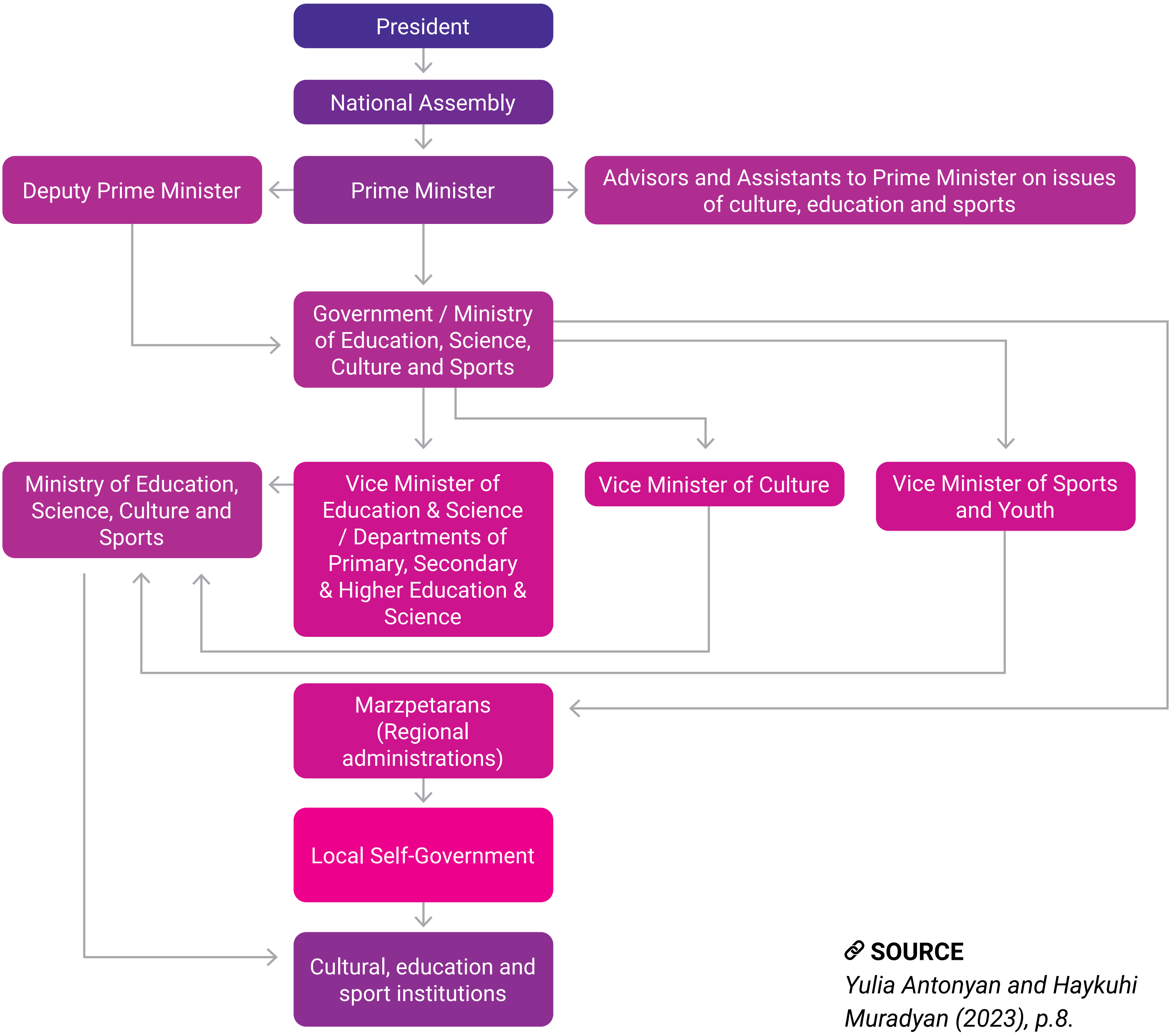
27 While there is no public information about the establishment of the sub-department of the Creative Industries within the Ministry of Economy, our research team has confirmed this data with the Ministry, via internal communication.

28 Light industries include: textile and clothing, footwear, leather and other production. Since 2022, the Ministry of Economy has been developing a five-year strategy for industry development. See: "The project to support Armenia's Textile Industry has been launched," Ministry of Economy, 2022, **https://mineconomy.am/en/news/2454**.

The significance of this division of responsibility between the Ministry of Economy and MESCS is profound, as it implies that the Ministry of Economy holds the primary role in overseeing economic development, business capacity building, and trade within the cultural sphere. This has understandably created confusion in regards to which body is accountable for the overall development of the cultural industries.

Within the larger context of the state government, the MESCS is accountable to a single-chamber parliament known as the **National Assembly**. Within the National Assembly exist **Standing Committees** that ensure parliamentary oversight and review draft legislations concerning their respective spheres and activities. Cultural policy is overseen by the **Standing Committee on Science, Education, Culture, Diaspora, Youth and Sport**, chaired by Sisak Gabrielyan. This committee is also responsible for approving the cultural charter, and securing financial resources for the preservation, dissemination and development of culture. For an organogram of Armenia's domestic government system, see Figure 4.1.

FIGURE 4.1: ORGANIZATIONAL ORGANOGRAM OF THE DOMESTIC GOVERNMENT SYSTEM



SOURCE
Yulia Antonyan and Haykuhi Muradyan (2023), p.8.

NON-GOVERNMENT ACTORS IN THE CULTURAL POLICY LANDSCAPE

There are several non-governmental groups of policy makers and implementers in culture and education that have varying levels of influence on the CCIs. These actors and their influence on cultural policy has been categorized in Table 4.1.

TABLE 4.1: INFLUENCE OF NON-GOVERNMENT ACTORS ON CULTURAL POLICY

Actor	Influence on Cultural Policy
Non-Governmental Organizations (local NGOs, cultural and youth centers)	• *Cultural policy consultants* • *Implementers of cultural and educational programs* • *Grant-receivers*
Cultural and educational institutions (schools, universities, theaters)	• *Professional consulting* • *Critical discourse on government legislation* • *Define scope of creative activities, trends and topics* • *Partially state-funded, or a combination of public/private funds, or fully self-funded*
International public organizations (UNESCO, Open Society Foundation, Foreign political entities, etc.)	• *Regulate national policies in accordance with international conventions/law* • *Provide funding for cultural and educational initiatives*
International and pan-Armenian private and public foundations (Gulbenkian, Alex Manoogian, Jinishian, AGBU, etc.)	• *Develop concepts/programs for cultural and educational development* • *Provide funding for their implementation* • *Collaborate with government (directly and/or indirectly via institutions)*
Mass media	• *Influence through media coverage of events, initiatives, concepts, public criticism etc.*
Private Enterprises (like editing/printing houses, art and cultural shops, cafés, etc.)	• *Provide independent support for cultural and critical discourse*
Social and virtual platforms (Boon TV, Re-pat Armenia, etc.)	• *Provide creative, discursive or critical content* • *Occasionally crowdfund for cultural/educational initiatives/events*

SOURCE
Yulia Antonyan and Haykuhi Muradyan (2023), p.11-19.

FACILITATING PUBLIC ENGAGEMENT IN CULTURAL POLICY

Since 2008, the European Union has invested 25 million Euros in Armenia to support the development of E-governance. This investment is intended to improve the accessibility and transparency of government information and services to the public, as well as to government entities and other agencies. As a result, dozens of platforms have been established. Among these platforms are the electronic document management system known as **Mulberry**, the electronic system of the **State Register for Legal Entities** (www.e-register.am), and the **Unified Website for Publications of Draft Legal Acts** (www.e-draft.am). According to a June 2019 EU press release, "two more systems are being developed – the Interoperability platform and Single Electronic Window."[29]

In addition to these electronic tools, cultural policy experts have noted that new reforms and a more inclusive approach to government by the current administration has improved dialogue between the state and non-government actors. This improvement has primarily been observed through the inclusion of public debates and competitions, created to engage with the sector.[30] For instance, in June 2018, the government published a procedure for conducting public debates to involve citizens in policy development.[31] Nevertheless, voices within the sector have expressed that this is not enough, and more formal and supportive mechanisms for collaboration are still needed.

For example, while the MESCS promotes public competitions for cultural development, such as grants and program implementation, FGD participants expressed criticism. They felt that public tendering processes are poorly run, unfair, and prioritize low cost proposals over quality projects. This was shared by representatives from the sectors of Advertising and Graphic Design, TV/Radio, Visual Art, Music and most of all Architecture. Notably, architects highlighted concerns that public tendering and procurement processes exhibit favoritism towards particular suppliers and often lead to corruption.

29 See: "More than Ten E-governance Platforms Introduced in Armenia with the Support of the European Union: EU Provided Close to 25m Euros," European Union External Action, June 10, 2019, **https://www.eeas.europa.eu/node/63855_en**.

30 Antonyan and Muradyan, Country Profile Armenia, p.9.

31 See: "Decision of the Government on Determining the Procedure for Organizing and Conducting Public Discussions," Unified Website for Publication of Legal Acts Drafts, 2018, **https://www.e-draft.am/projects/978/about**.

In light of this, several CCI representatives in our FGDs and KIIs proposed ideas for better serving creative constituents. These included the establishment of an **arts council** and other such agencies for bridging government to creative actors, supporting research, developing strategies, and building capacity within the sector. One informant mentioned international best practice in countries like the Netherlands, Finland, and Ireland, where arts councils serve as intermediary bodies. These councils equip artists and creatives with toolkits for scaling up their practices, empower local governments to support regional artists, and facilitate resource mapping, among other benefits.

"The bidders of tenders should not offer prices that are several times lower than the market rates. When they do, then there is a falsification involved. But our law on procurements mandates that suppliers with the lowest price offers need to be selected."

– Architecture sector representative

"Having worked with the ministry here, I can see the gaps where the ministry is not able to reach out to many independent artists who have not been on the radar of the state policy for the past 30 years. So I can see that there's lots of work to do and I believe that an Arts Council should be entitled to fill in the gaps in this regard."

– Film sector representative and community activist

During focus group discussions, a few participants suggested the creation of a distinct entity or foundation tasked with managing a **national cultural fund or endowment.** This entity would be responsible for allocating grants and funding on a competitive basis, following a model similar to the National Endowment for the Arts in the United States, or the Art Fund in the UK. Such a foundation could also gather private contributions for redistribution, and should operate at arm's length from the government to enhance transparency and prevent corruption.

Ballet rehearsal at the Armenian National Opera and Ballet Theater, 2018.
Photo by Ed Tadevossian

> "We need to have a national cultural policy, corresponding legislation, and a strategy – a document which would define the priorities for the next 3 years."
>
> – *Visual Arts sector representative*

NATIONAL STRATEGIES

In this section, we assessed the current government's vision for the cultural development of the country and analyzed the feasibility of implementing these proposed plans. To do this, we examined the government's existing cultural strategy plan, its corresponding action plan for implementation, and a progress report evaluating the outcomes of these efforts. Furthermore, we also looked at the government's forthcoming cultural strategy plan to understand if and how it has changed, and whether there have been improvements or shortcomings. The documents under review have all been developed by the current administration and include:

"Programme of the Government of the Republic of Armenia (2021-2026)," published August 2021.[32]	**"Action Plan of the Government of the Republic of Armenia (2021-2026),"** published December 2022.[33]	**"Report on the Implementation Process and Results of the Programme of the Government of the Republic of Armenia (2021-2026),"** published in February 2023.[34]	**"Cultural Preservation and Development Strategy of the Republic of Armenia (2023-2027),"** only available in draft form as of September 2023.[35]

The "**Programme of the Government of the Republic of Armenia (2021-2026)**" spans 125-pages, and outlines the national strategy mostly for various non-cultural domains, with just three pages specifically dedicated to culture. These pages present a list of bulleted points that outline the "main directions for the state policy" on cultural heritage, modern art, and arts education. The directions are indeed in alignment with many of the concerns raised by FGD participants and included in this report. Some of these include:

- *Helping cultural institutions secure funding*
- *Boosting cultural tourism*
- *Promoting and disseminating Armenian culture abroad*
- *Developing a legion of national cultural critics*
- *Developing and providing professional education for cultural workers*
- *Assessing the professional potential of creative unions*
- *Implementing various strategies to foster a dedicated arts audience*
- *Developing mechanisms to address informal employment in the sector*

32 "Programme of the Government of RA (2021-2026)," Armenian Government website, August 2021, **https://www.gov.am/files/docs/4737.pdf, p.89-91**.

33 "Action Plan of the Government of RA (2021-2026)," Armenian Government website, 2022 **https://www.gov.am/files/docs/4740.pdf**, MESCS action plan begins on p.268, with cultural action plan spanning p.309-327.

34 "Report on the Implementation Process and Results of the Programme of the Government of RA (2021-2026)," Armenian Government website, February 2023, **https://www.gov.am/files/docs/5274.pdf p.64-65**.

35 "Cultural Preservation and Development Strategy of the Republic of Armenia (2023-2027)," Armenian Government website, December 2022, **https://www.e-draft.am/en/projects/5118/about**.

The Programme is accompanied by a corresponding **Action Plan**, which outlines 15 main objectives (goals) for the cultural sector, that are broken down into actionable steps. Beyond the MESCS, some objectives involve additional co-implementing bodies, including the ministries of Economy, High Tech, Foreign Affairs, and the Office of the Commission of the Diaspora, along with some references to municipalities.

An assessment of the viability of the plan reveals a few points. Firstly, the implementation periods/deadlines for most activities are too broad, covering almost the entire five-year duration of the plan. Moreover, the absence of annual targets poses implementation risks, particularly when combined with the lack of specific deadlines and allocated budgets.

The "**Report on the Implementation Process and Results of the Program of the Republic of Armenia**" is a progress report that assesses the advancement and successes of the government's programme objectives. In our evaluation of the reports from 2021 and 2022, we confirmed our assessment of the Action Plan. We found a significant shortfall in achieving Key Performance Indicators (KPIs) when comparing them to their corresponding actions. For example, progress report figures for 2022 reveal that:

The state organized only 3 out of the minimum goal of 50 annual international and republican festivals, exhibitions, and creative projects in Armenia.

The digital library program did not start in 2022 as planned.

Digitization of museums also did not start in 2022 as planned.

Furthermore, there is an absence of updates for numerous action points, suggesting that these activities were not carried out. Un-updated action points include:

- *The supporting of creative programs through competitive grants, as well as promoting new creative initiatives and innovative forms of art.*
- *Developing cultural tourism in Armenia and expanding institutional infrastructures in the field of heritage.*
- *Introducing modern culture management systems for cultural workers.*
- *Establishing an institution of cultural patronage and promoting public-private partnership mechanisms.*
- *The public institutionalization of self-employed/independent creators.*
- *Modernization of technical infrastructure in theaters and concert halls*
- *Mapping of the property assets of creative unions in order to ensure the full activity of state collectives*
- *Implementation of cultural-educational programs for various target groups (schoolchildren, people with disabilities, regional/marz population, etc.)*
- *Establishment and promotion of bilateral cooperation with the Russian Federation in the field of culture.*

The 2022 progress report highlights several positive updates, including:

The number of museum visitors increased by 15% from the previous year.

Particularly the number of children visiting cultural institutions increased by 30% (paid by the state).

The state funding to improve infrastructures of theaters and concert halls increased from 0.3 billion in 2021 to AMD 1.3 billion in 2022.

90% of cultural institutions have had an increase of income.

It's worth noting that the government's National Strategy Programme and Action Plan do not include the term "Cultural and Creative Industries" in any section of the document. This term provides a holistic perspective of the sector in which non commercial cultural activities (such as museums, libraries, archives, and educational institutions) mutually support commercial activities (such as graphic design, architecture, film, music, etc.). This synergy is embodied through the exchange of knowledge and inspiration, and a mutual development and stimulation of market demand.

In general, terminology around the CCIs has not been clearly defined by either the MESCS or the Ministry of Economy, and it is uncertain as to which specific responsibilities are designated to which ministry. To-date, the only clear division between the two ministries is the following:

The Ministry of Economy is responsible for developing the country's Creative Manufacturing Strategy.

*The Ministry of Economy only focuses on the **Light Industries**, which includes textile, clothing, footwear, leather goods, and jewelry.*

This implies that the economic development needs of all other cultural and creative sectors beyond the Light Industries are entirely excluded from the creative manufacturing strategy. It also means that the MESCS does not view the cultural sector from an economic, industrial or business perspective at all. This is problematic as it excludes the involvement of important stakeholders in the cultural sphere, including independent entrepreneurs, creative businesses, commercial galleries, as well as other international and non-governmental entities involved in shaping a favorable investment ecosystem for culture.

However, it is significant to note that the final document we reviewed, the draft "**Cultural Preservation and Development Strategy of the Republic of Armenia (2023-2027)**," uses the term "Cultural and Creative Sector" (CCS) for the first time. Though this is a conceptual observation, it is significant in that it highlights a more holistic understanding of the sector and demonstrates a positive shift in perspective. This may insinuate that the MESCS is acknowledging creative businesses and creative service-providers, not only cultural institutions, as a part of their sector target. Nevertheless, they have still omitted the term "industry" from their vision (CCS versus CCI), which shows that further lobbying and advocacy is needed to communicate the importance of including an industrial perspective to culture for the sector's overall development.

In terms of content, this draft document contains many relevant strategic directions that echo those outlined in the 2021-2026 Programme, and has a corresponding Action Plan. It also shares similar weak points, including a poorly developed Monitoring and Evaluation Plan that lacks concrete timelines and monitoring methodologies. Overall, as this document is still pending approval by the Parliament as of October 2023, it is unclear as to when or if it will be implemented. Since the deadline for providing comments to this strategy has passed (it was by Dec 21, 2022) unfortunately, we will not have the opportunity to share these comments on the e-draft.am platform. We will have to wait and see how the Government will move forward with the implementation of this strategy.

CONCLUSIONS & RECOMMENDATIONS

A review of the available National Strategies and Action Plans shows that there is an unclear division of responsibilities and tasks between **government bodies** in regards to the Cultural and Creative Industries, specifically between the Ministry of Economy and the MESCS. The current division of tasks seems to delegate all industrial and manufacturing-related issues to the Ministry of Economy, and all promotional, educational, and awareness-related tasks to the MESCS. However, there are no evident mechanisms in place to facilitate the exchange across these two ministries, resulting in major gaps in the sector and its future development plans.

The Ministry of Economy's focus on Light Industries neglects the industrial development of other creative sectors. Conversely, the MESCS lacks an industrial perspective on culture, leading to a lack of educational and promotional programs, relating to the economic and industrial development of the sector. Consequently, there are no planned initiatives for advancing the economic and industrial development of creative sectors beyond the Light Industries, and key creative industries like Film, Journalism, TV/Radio, Architecture, and others are being ignored. Similarly, ignoring the link between non-commercial and commercial activities within culture, such as the role of heritage in inspiring new creative productions in cinema, gaming, audio-visual and creative services, is a detriment to the financial sustainability and vitality of the cultural sector as a whole.

There is a similar lack of communication and coordination for **engaging citizens and sector constituents into policy development**. While e-governance investments and innovations over the past decade have improved the transparency of certain legislative processes, other tools and mechanisms are needed in order to integrate sector needs into development strategies.

Lastly, analysis of the **Action Plans** associated with various government strategies, as well as their progress reports, reveals significant shortcomings in terms of their effective implementation and monitoring and evaluation. A lack of clear KPI's, target results, clear deadlines/timelines, and set budgets contributes to deficient monitoring and evaluation systems. These non-operational action plans combined with unclear policy mechanisms, results in obstacles for the effective coordination and assessment of cultural policy and strategy.

Based on these findings, we recommend the following actions:

Develop mechanisms for intergovernmental collaboration

Better mechanisms need to be established to improve cooperation across ministries and citizens. Furthermore, more efforts should be made to advocate for the economic development of the cultural and creative sphere as a whole, between government bodies.

Establish an independent body for CCI support

An independent body, like an Arts Council or a Cultural and Creative Industries Council, could serve as a bridge across government entities and the CCIs. This entity could serve the government via research, operational strategy design, and supporting creative constituents via professional and financial support. It is important to note that such an entity has some parallels with the National Strategy Program's goal of "establishing an institution of cultural patronage and promoting public-private partnership mechanisms."

Establish external oversight for funding management

Ensure transparent, strategic, and efficient fundraising and distribution of a cultural fund or endowment within the CCIs by establishing an external body, such as an Arts or CCI Council, to monitor and supervise funding mechanisms. This approach mitigates the risk of corruption and mismanagement of investments in an independent cultural fund.

PART II ECONOMIC REPORT

The Economic Report that follows relies on existing data from the Statistical Committee of the Republic of Armenia (ArmStat), quantitative data from our national survey, as well as qualitative information gathered through our focus group discussions with CCI representatives.

Our economic analysis aims to understand the overall impact of the CCIs on the country's Gross Domestic Product (GDP), employment, and consumption.

Ballet rehearsal at the Armenian National Opera and Ballet Theater, 2018. **Photo by Ed Tadevossian**

5

5. VALUE ADDED OF CULTURAL GOODS AND SERVICES TO THE NATIONAL GDP

The following analysis examines the CCIs' contribution to Armenia's GDP, highlights notable changes in their growth, and explores potential factors behind these changes. We also compare different sectors within the CCIs in order to identify areas where infrastructure and support are particularly crucial. This data can inform efforts to foster CCI growth, generate employment opportunities, and improve the overall well being of Armenia through its arts and cultural sectors.

In 2021, Armenia's CCIs generated about 4.4% of the country's GDP, up from 3.3% in 2014.[36] To provide context, this is equivalent to the CCI's contribution to GDP in the European Union in 2014.[37] Moreover, in nominal terms, the total value added of Armenia's CCIs almost doubled during this time, growing from 160,889.3 million AMD in 2014 (approximately 291.4 million Euros), to 305,452.2 million AMD in 2021 (approximately 512.1 million Euros).

CENTRAL CULTURAL ACTIVITIES VS. SUPPORT EQUIPMENT

The Creative and Cultural Industries contribute to Armenia's GDP through both direct and indirect revenues. According to UNESCO, direct revenues come from **Central Cultural Domains**, which include products and services directly involved in conceiving, producing, and/or distributing cultural and creative work and services. Whereas indirect revenues come from **Equipment and Supporting Materials Domains**, which facilitate the conception, production, and distribution of cultural and creative works and services.

For a more comprehensive understanding of what these two groupings include, along with their respective value added in 2014 and 2021, refer to Table 5.1.

36 National accounts data – National Statistical Services of the Republic of Armenia for the year 2021. See Table 6.2 in Appendix 1 for total value added of CCI activities to GDP

37 This is the most recent figure currently available for comparison and was found at: European Creative Business Network, The Cultural and Creative Industries in Europe: Entrepreneurial Assets and Capacities Need More Support, (2015), p.4, **https://ecbnetwork.eu/wp-content/uploads/2015/07/ECBN_manifesto-20151.pdf**.

TABLE 5.1: VALUE ADDED OF CCI ACTIVITIES AGGREGATED BY CENTRAL CULTURAL ACTIVITIES VS EQUIPMENT AND SUPPORT MATERIALS ACCORDING TO UNESCO CDIS METHODOLOGY[38]

Central Cultural Activities	Value Added, Million AMD	
	2014	2021
	37,548.4	122,600
Manufacture of jewelry and related articles*		29,058.1
Manufacture of music instruments		
Wholesale of household goods**		2873.1
Non-specialised wholesale trade**		5,440.4
Retail sale of books, newspapers and stationery in specialized stores***		7,053.0
Retail sale of music and video recordings in specialized stores***		
Book publishing***	3,287.1	2,956.0
Publishing of newspapers, journals and periodicals***		
Other publishing activities***		
Motion picture, video and television programme production activities***	2,458.8	3,303.7
Motion picture, video and television programme post-production activities***		
Motion picture video and television programme distribution activities***		
Motion picture projection activities***		
Sound recording and music publishing activities***	119.5	293.5
Radio broadcasting	1,962.0	2,505.7
Television programming and broadcasting activities	5,087.5	11,577.6
News agency activities***		7,114.7
Architectural and engineering activities and related technical consultancy***		12,769.2
Research and experimental development on social sciences and humanities***		114.3
Advertising***	7,456.3	20,882.1
Specialized design activities***	1,437.3	2,219.6
Photographic activities***	321.0	1,204.2
Renting of video tapes and disks***		298.0
Cultural (other) education***		7,882.7
Creative, arts and entertainment activities***	11,065.2	2,618.2
Library and archives activities***	4,353.7	2,436.2
Museums activities and operation of historical sites and buildings***		
Botanical and zoological gardens and nature reserves activities		
Equipment and Support Materials	**123,340.9**	**182,852.2**
Printing (newspapers)	7,221.5	3,039.3
Services activities related to printing (except newspapers)		16,484.7
Reproduction of recorded media	16.3	
Manufacture of consumer electronics		
Retail sale of audio and video equipment in specialized stores***		30,458.3
Software publishing		
Wired telecommunications activities	37,518.0	39,162.2
Wireless telecommunications activities	78,585.1	78,854.2
Satellite telecommunications activities		41.5
Web portals (incl. data processing, dissemination and related activities)****		14,812
Total value added of cultural domains	**160,889.3**	**305,452.2**
GDP, current prices	**4,828,626.3**	**6,982,962.5**
Share of value added of CCI in GDP, %	**3.3%**	**4.37%**

* *Diamond processing only*
** *The 3-digit items 464 and 496 are complex (partially cultural) and only 3% of the volume calculated by Armstat is ascribed to CCI. Meantime, the data requested under higher digit levels were concerned to wholesale trade of recorded CDs, videotapes, CDs (Code G46.43.3) and wholesale trade of watches and jewelry (Code G46.48)*
*** *The calculation of indicators is carried out according to the three-digit codes of the Classification of Economic Activity Types ed. 2 (TGTD ed. 2)*

SOURCE

National accounts – National Statistical Services of the Republic of Armenia (2014, 2021)

38 The new edition of the “Classification of Economic Activities“ has entered into force since 1st of January 2020. The cells in gray indicate that there is no data available on the corresponding activities. See: “The Economic Activity Classification of RA” Armenian Legal Information System, (2019), **https://www.arlis.am/DocumentView.aspx?docid=137751**.

In January 2020, a more detailed 4-digit coding system for Economic Activities data was introduced. This implementation resulted in the formation of new subcategories, making it impossible to conduct an accurate line-by-line analysis between the years 2014 and 2021. Due to these changes, we were unable to compare the data directly. The modifications in categories between these years are illustrated in Table 5.1, where subcategories without available data are highlighted in gray.

TRENDS BY CREATIVE SECTOR: EXPLORING THE CCIS' SIX CULTURAL DOMAINS

Whereas above we illustrate the division of direct vs indirect activities, we can also consider a regrouping that allows us to highlight performance by sector. UNESCO defines CCI sectors within **six Cultural Domains**:

- *Cultural and Natural Heritage*
- *Art Performances and Celebrations*
- *Visual Arts and Crafts*
- *Books and Press*
- *Audio Visual and Interactive Media*
- *Design and Creative Services*

Of note among these domains, **Audio Visual and Interactive Media** is by far the dominant contributor to GDP in both 2014 and 2021. However, since 2014, the domains of **Visual Arts and Crafts**, **Books and Press**, and **Design and Creative Services**, grew exponentially.

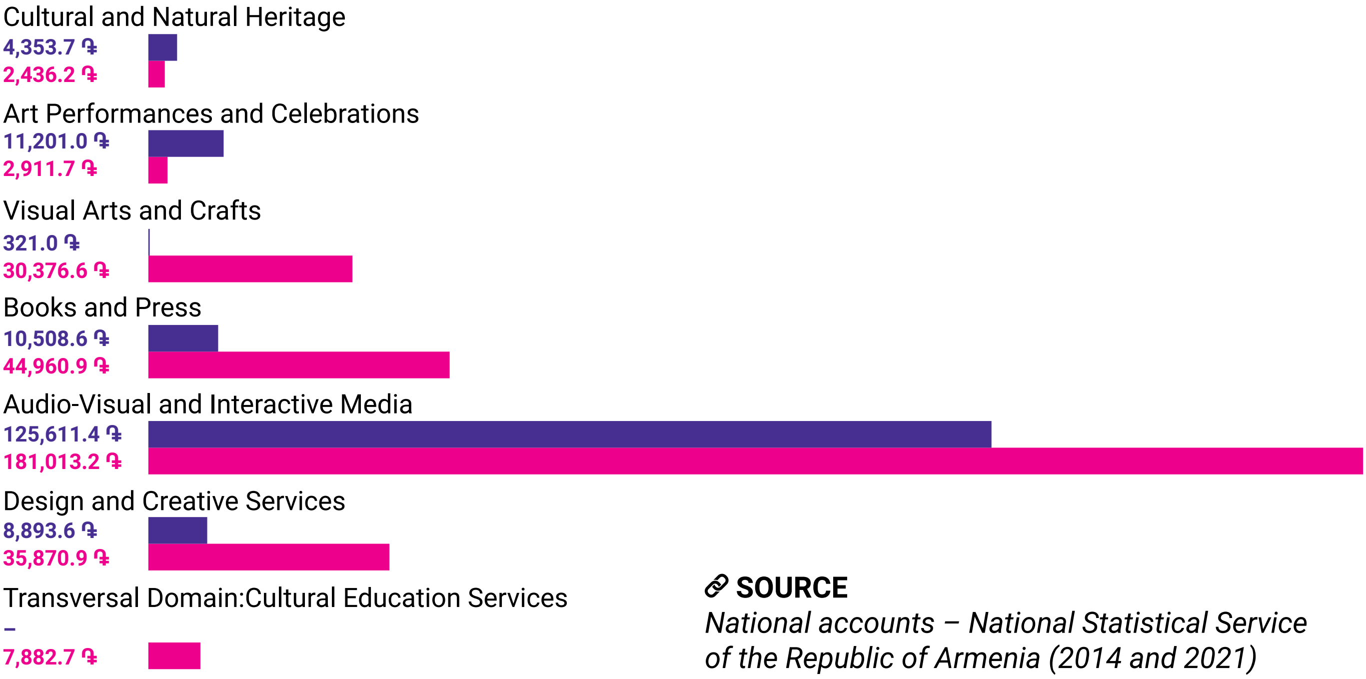
The most economically troubled domains are those of **Cultural and Natural Heritage**, and **Art Performances and Celebrations**, which showed a drop in value added, as well as in their percentage share of CCI output. See Figures 5.2 and 5.3 for details.

FIGURE 5.2: SHARE OF TOTAL VALUE ADDED BY CULTURAL DOMAIN: 2021 VS 2014

SOURCE

National accounts – National Statistical Service of the Republic of Armenia (2014 and 2021)

FIGURE 5.3: VALUE ADDED BY CULTURAL DOMAIN: 2014 VS 2021 (MLN AMD)



SOURCE
National accounts – National Statistical Service of the Republic of Armenia (2014 and 2021)

Armenia's cultural output has become considerably more diversified since 2014.

The artist Arman Grigoryan in his studio, 2019.
Photo by Ed Tadevossian

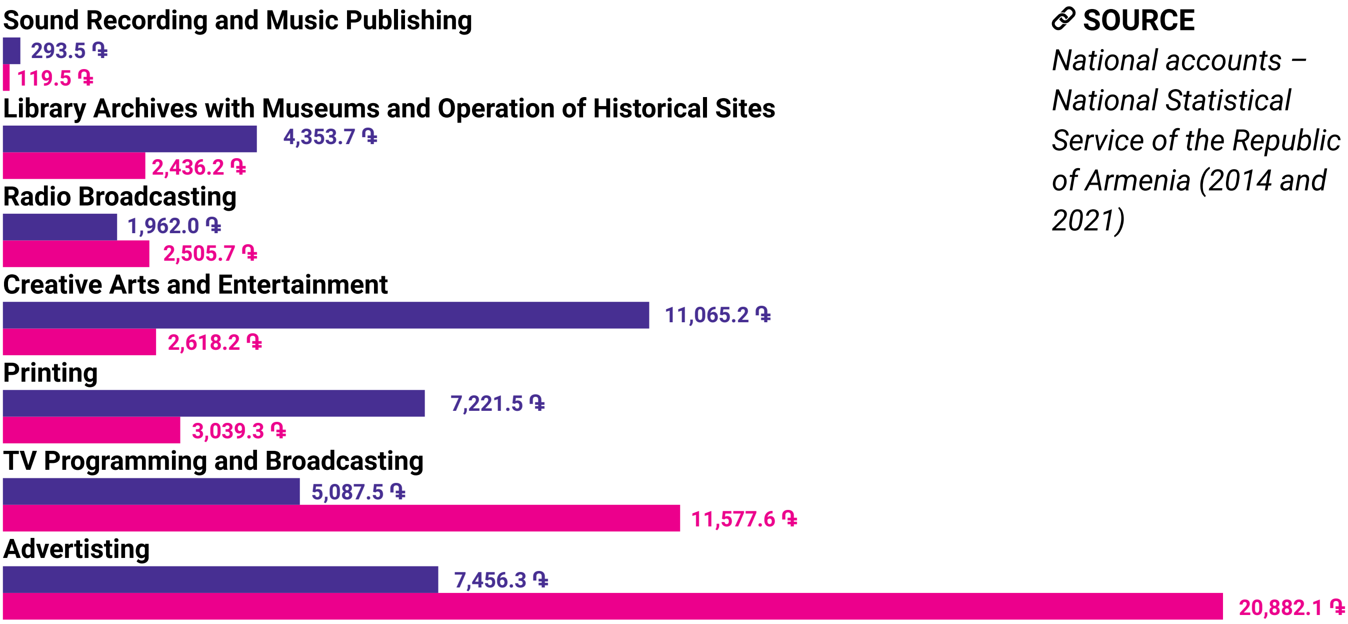
TRENDS BY CCI ACTIVITIES

Each of the six CCI domains comprises a multitude of activities that enable us to better understand the changes and dynamics within each domain. There are 43 classes of CCI activities (categorized by 4-digit NACE codes). More details on the full list and their value added by domain for 2014 and 2021 can be found in Table 5.2 in Appendix 1.

Among these activities, **Creative Arts and Entertainment** had the largest decline, with a nominal value 4.2 times lower in 2021 compared to 2014. Between 2014 and 2021, **Printing** also saw a slowdown of 2.4 times, while **Library and Archives**, with **Museums and Operations of Historical Sites**, experienced a slowdown of 1.8 times. While Printing decreased, it did not affect the overall growth of the *Books and Press* domain. The decrease in Archival and Museum activities are symptomatic of the *Cultural and Natural Heritage* domain's overall decline since 2014.

On the other hand, several activities showed an upward trend in value added. This primarily includes activities within the *Audiovisual and Interactive Media* domain. For instance, **Radio Broadcasting** increased .3 times, **Television Programming and Broadcasting** increased 1.3 times, and **Sound Recording and Music Publishing** increased 1.5 times. Significantly, **Advertising** grew 2.8 times, and was the largest contributor to the success of the *Design and Creative Services* domain in 2021. See Figure 5.4 for more details.

FIGURE 5.4: VALUE ADDED BY SELECTED DOMAIN ACTIVITIES: 2014 VS 2021 (MLN AMD)



SOURCE

National accounts – National Statistical Service of the Republic of Armenia (2014 and 2021)

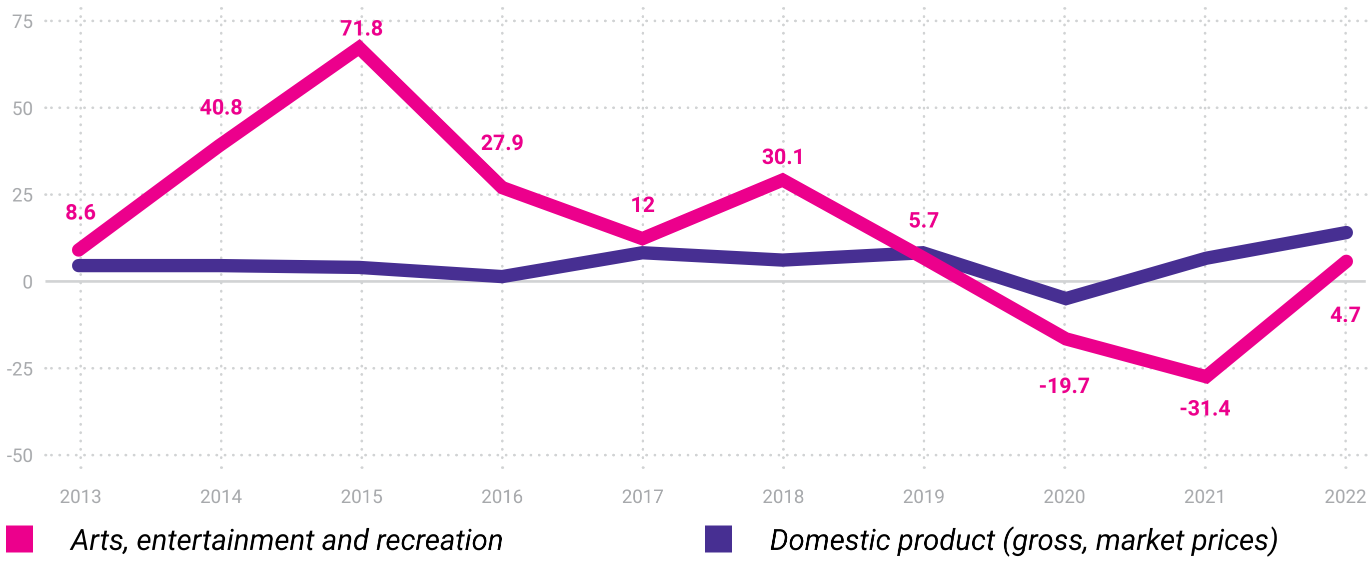
Sectors connected with technological change and digitization had the most significant increase in nominal value from 2014 to 2021.

AN OVERVIEW OF ARMENIA'S CULTURAL INDUSTRY YEAR-ON-YEAR

To understand the year-on-year (YoY) change in Armenia's Creative and Cultural Industry over the past decade, we analyzed data from the Statistical Committee of the Republic of Armenia (ArmStat). ArmStat's classification of "**Arts, Entertainment, and Recreation**" includes a wide range of activities such as live performances, operation of museum sites, gambling, sports, and recreational activities. It is important to note that some of the activities included under this definition do not align with UNESCO's definition of the CCIs, such as gambling and casinos. Nevertheless, we included this data as it provides useful insights into the industry's changes over time.

The data presented in Figure 5.5 shows that Armenia's **Arts, Entertainment, and Recreation** sector experienced **extraordinary and progressive growth from 2013 to 2018**, with an average annual rate of increase of about 25.5%, compared to the country's GDP, which had an average annual rate of increase of about 3.3%. However, **this pattern reversed from 2018 to 2022**, when the sector declined, at an average annual rate of about 9.4%, whereas the country's GDP grew by about 3.8%.

FIGURE 5.5: YOY CHANGE OF VALUE ADDED IN ARTS, ENTERTAINMENT, AND RECREATION VS GDP, 2013-2022 (%)



SOURCE

Armstat Databank for National Accounts and Socio-Economic Situation of RA, (January-December 2022) (chapter for the real sector, p.9/57)

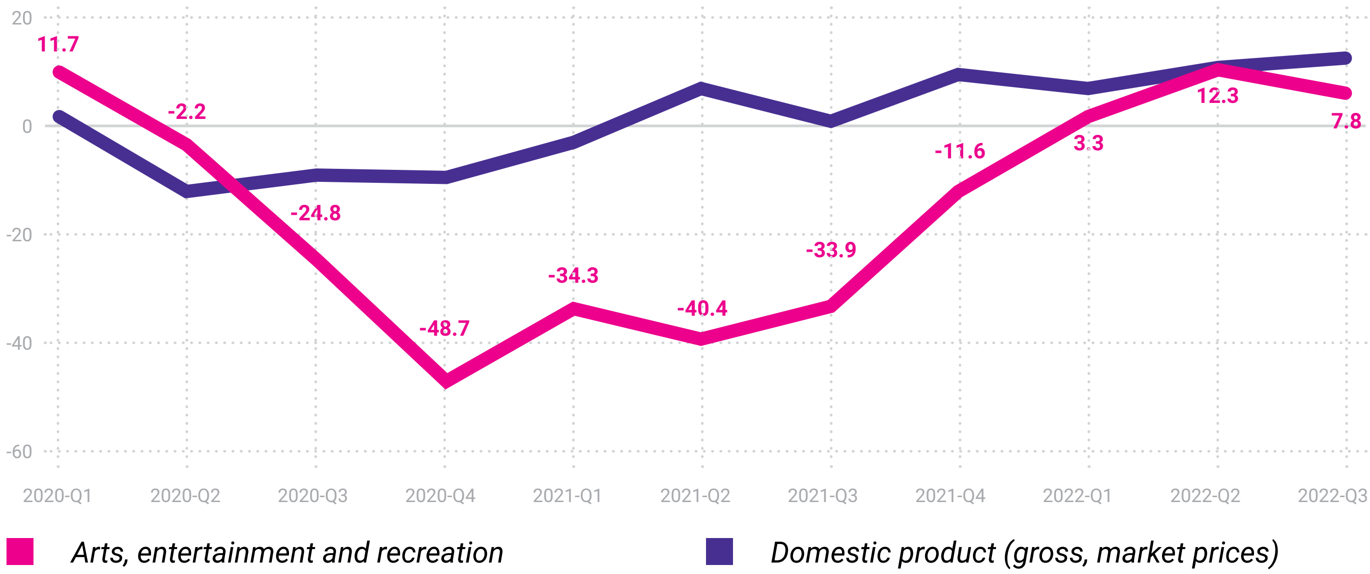
It is worth considering that the commencement of the sector's decline in 2018 aligns with the country's "Velvet Revolution" and consequent change in administration. The even more dramatic decline experienced in 2020 and 2021 can be attributed to the impact of COVID-19 restrictions and the 44 day Artsakh War.

"During and after the COVID-19 pandemic [the textile industry] has not received any such support from the state. Special regulations/laws are needed to boost these fashion industries and provide more favorable tax conditions for them (such as freeing imported raw materials from taxes)."

– Fashion sector representative

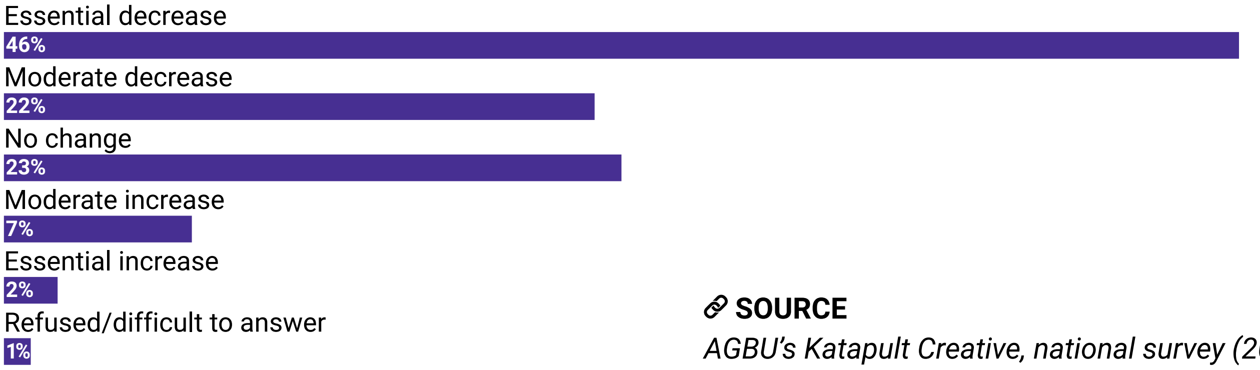
Upon conducting a more detailed analysis of this decline, it was discovered that the most significant drop occurred between the third quarter of 2020 and the the third quarter of 2021, as shown in Figure 5.6. This finding further supports the claim that pandemic restrictions and the 44-day Artsakh War heavily impacted the sector. Furthermore, when we asked creative businesses to assess the impact of the pandemic on their income generation, 68% of survey respondents indicated a negative impact on their revenue (see Figure 5.7).

FIGURE 5.6: YOY GROWTH OF GDP AND VALUE ADDED IN ARTS, ENTERTAINMENT, AND RECREATION BY QUARTER (%, COMPARED TO THE SAME QUARTER OF THE PREVIOUS YEAR)



SOURCE
Armstat Databank for National Accounts/quarterly data

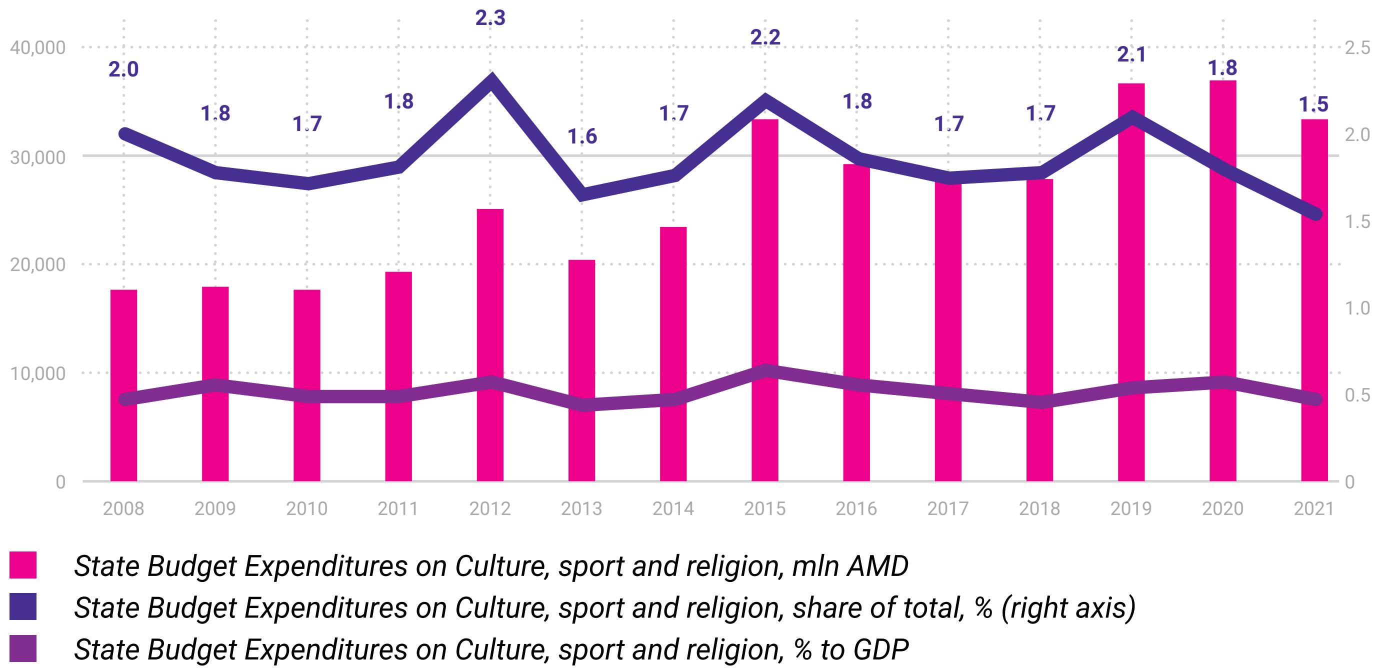
FIGURE 5.7: "TO WHAT EXTENT DID THE 2020 COVID-19 OUTBREAK AND THE RESULTING PREVENTION AND CONTROL MEASURES IMPACT YOUR ORGANIZATION'S REVENUE IN THE PREVIOUS YEARS?" (% OF TOTAL, N= 285)



SOURCE
AGBU's Katapult Creative, national survey (2023)

It is also important to highlight that the decline experienced in 2020 and 2021 was accompanied by **a decrease in public funding for the sector.** Specifically, the share of state budget expenditures allocated to **"Culture, Sport and Religion**" comprised 1.8% and 1.5% of total budget expenditures in 2020 and in 2021 respectively, compared to 2.1% in 2019. The ratio of these expenditures to GDP also decreased from 0.5% in 2019 to 0.4% in 2021 (Figure 5.8).

FIGURE 5.8: STATE BUDGET EXPENDITURES ON CULTURE, SPORT, AND RELIGION, 2008-2021



SOURCE
Armstat Databank for Economy and Finance/Government Finances

"The state budget in Armenia has very limited allocation for development of Culture/Creative industries. On the other hand, the only thing Armenia has to offer to the world is culture."

– FGD participant

This illustrates that there continues to be inadequate government funding to support the development of the sector, and its recovery from the pandemic. This issue is particularly significant for the Cultural and Natural Heritage domain, as it relies the most on state support among all the domains.[39]

In contrast, government programs in the Information Technology and Communication (ITC) sector have been prioritized and have received the most substantial increases in state funding, with funding for several ITC programs increasing more than fivefold.[40] This exponential increase in funding parallels its overall significant growth. Consequently, it is not surprising that among the cultural domains, **Audiovisual and Interactive Media** is the most economically productive, given its relation to the ITC sector.

It is also worth noting that recent financial policy planning has focused on increasing non-state sources of funding for the cultural sector. More government programs now rely on partnerships with the private sector to sponsor various cultural events such as concerts, exhibitions, and festivals. Additionally, cultural institutions and programs increasingly receive grants from international and local philanthropic organizations. Among these organizations are the Calouste Gulbenkian Foundation, Armenian General Benevolent Union, German Agency for International Cooperation (GIZ), Goethe Zentrum Eriwan, Eurasia Partnership Foundation, the Swiss Development and Cooperation Agency (SDC), Alliance Francaise, Jinishian Foundation, and Smithsonian Institution. Multiple embassies are also supportive to Armenia's CCIs, including but not limited to the French Embassy, the US Embassy, and the Italian Embassy.

While these external sources of funding are crucial to the sector, they do not offset the relative decrease in funding provided by the state to support, enhance, preserve, and promote arts and culture in Armenia.

39 Respondents to our national survey from the Cultural and Natural Heritage domain reported that an average of 70% of their budgets come from State funding. Source: AGBU's Katapult Creative Accelerator Program, Attitudes towards CCI ecosystem and development prospects, (Yerevan: AGBU, 2023), p.56, **https://drive.google.com/file/d/17YJvywBn8HQrx6k4zQwwFdFKuZvbqE4K/view**

40 Data is publicly available from the RA National Assembly Annexes to the laws of the State Budget for 2019-2022, see Table 5.4 in Appendix 1, for details.

CCI growth is linked to state budgetary allocation, and state funding to culture in 2021 was not enough to enable sector growth, *especially following the pandemic where a boost in recovery is needed.*

CONCLUSIONS & RECOMMENDATIONS

In reviewing the CCIs' contribution to Armenia's GDP between 2014 and 2021, we observed the diversification of cultural output and a positive trend in cultural production. We found that CCIs associated with technological advancements and digitization showed the most substantial growth during this time, aligning with the significant increase in state funding to ITC programs. All in all, by tracking the sector's growth alongside state funding, we noticed that the sector's expansion is closely tied to government funding. This connection became apparent when state funding decreased between 2020 and 2021.

In addition to these findings, during the course of our research, we observed that the country's classifications of the CCIs and their activities need further development to more accurately capture CCI output statistics by sector and domain. By doing so, the volume of goods and services of the industry will become comparable over time and with other countries. Such comparisons allow us to monitor the advancements and setbacks of the sector, gain a deeper understanding of how and why changes occur, and identify the needs for better supporting the CCIs nationally.

Based on these findings, we recommend the following actions:

1. Digitization:

Government should support further diversification of the CCIs by supporting digitization and technological advancement of the domains lacking these skills.

2. Recovery funds:

More public funding to culture would support recovery and enable growth after the 2018 decline. Particular attention is needed towards the Cultural and Natural Heritage domain.

3. A dedicated fund for culture:

Rather than sharing a budget with Sport and Religion, a dedicated fund for culture is desired by the sector and would greatly improve the ability to strategically support culture in a data-driven way and with transparency.

4. Synchronize national classification codes for CCI activities:

By aligning national classification codes with international 4-digit standards, the volume of goods and services of Armenia's CCIs will become comparable over time and with other countries. Such comparisons allow us to monitor the advancements and setbacks of the sector, gain a deeper understanding of how and why changes occur, and identify the needs for better supporting the sector nationally.

6

6. CULTURAL EMPLOYMENT IN ARMENIA

Understanding the economic landscape of the CCIs also requires examining the state of cultural employment in the country. We were interested in understanding the number of individuals employed in culture, what sectors employ the most individuals, what occupations are in high demand, and what types of professions are needed to stimulate growth in Armenia's creative economy. Trends in popular occupations can provide insights into the directions of sector development, while understanding the gaps in professional skills can inform policy and investments in education. Our research also attempted to understand the degree of formality versus informality of jobs in the sector, and the implications of those on the welfare of individuals employed in the CCIs.

For this reason, in order to provide a complete picture of the landscape, this section includes analysis of secondary data from the State Committee of National Statistics (ArmStat), National Labor Force Surveys, as well as our own primary data on perceptions of the sector (focus group discussions and a National Survey with Creative Businesses and Organizations).

DEFINING CULTURAL EMPLOYMENT

According to UNESCO, **Cultural Employment** encompasses "the total number of persons who have a cultural or non-cultural occupation in the culture sector and all persons who have a cultural occupation in the non-cultural sector."[41]

UNESCO outlines three possible combinations of cultural employment:

TABLE 6.1. MATRIX OF CULTURAL EMPLOYMENT

	Cultural industries	Non-Cultural industries
Cultural Occupations	A	B
Non-cultural Occupations	C	

A.) Persons in a **cultural occupation** employed in the **culture sector**

B.) Persons in a **cultural occupation** employed in the **non-culture sector**

C.) Persons in a **non-cultural occupation** employed in the **culture sector**

These categories illustrate how fluid cultural occupations are, and how embedded creative expertise is across sectors and industries.

41 See: INSTRUCTION MANUAL: Survey of Cultural Employment Statistics, (Montreal: UNESCO Institute of Statistics, 2015), p.8, **https://uis.unesco.org/sites/default/files/documents/uis_clt_ce_manual_2015_0.pdf**.

AN INCREASE IN CULTURAL EMPLOYMENT

An analysis of data from the most recent **Labor Force Survey (LFS)** conducted in 2021 reveals that **the proportion of individuals within the total working population of Armenia employed in cultural occupations has increased from 4.9% in 2015 to 6.3% in 2021.**[42] This is a significant number. For comparison, the CCIs accounted for 3.8% of the total workforce in the EU in 2014.[43]

Figure 6.1 shows that between 2015 and 2021, the number of individuals engaged in cultural employment has increased across all three types of cultural employment (categorized as A, B, C above). Specifically:

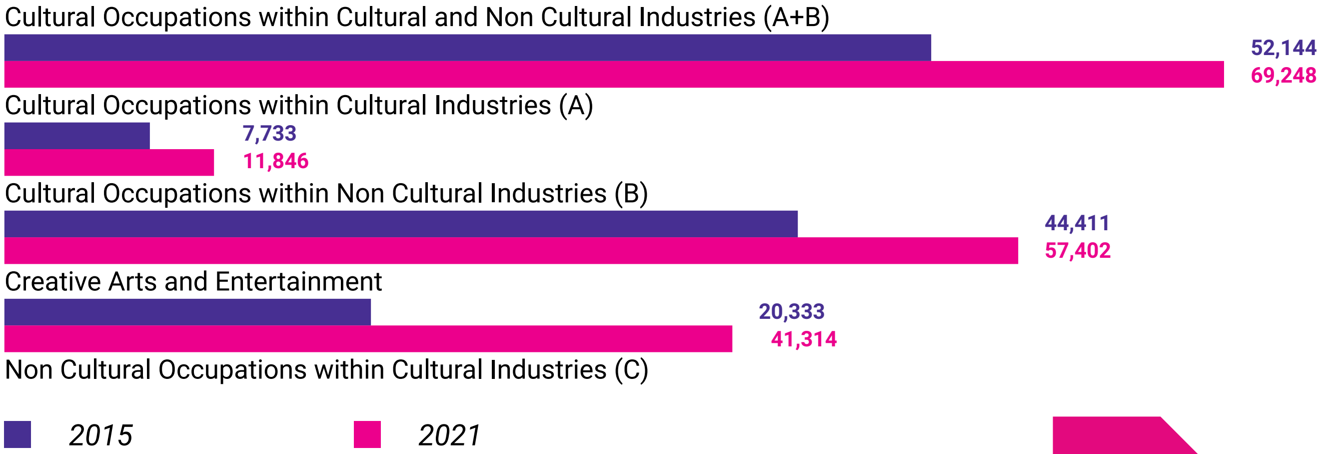
The total number of individuals engaged in cultural occupations (A+B) in 2021 was 69,248, which is 32.8% higher than in 2015 (52,144).

The number of employees in cultural occupations within the cultural industries (A) increased by 53.2% during this period.

The number of employees in cultural occupations within non-cultural industries (B) increased by 29.3% during this period.

The number of employees in non cultural occupations within cultural industries (C) has almost doubled during this period.

FIGURE 6.1: NUMBER OF INDIVIDUALS ENGAGED IN CULTURAL EMPLOYMENT, 2015 VS 2021



SOURCE

Armstat, Labour Force Surveys for 2015 and 2021. Methodology: UNESCO CDIS

These higher values in cultural employment are **a positive sign for the sector** and its productivity, and **align with our finding that CCI contribution to the national GDP has also been on the rise in recent years.** Refer to Table 6.2 for more details.

42 Databases for 2021 and 2015 for surveys of workers 15 years and older among Armenia's employed population can be found at the following source: "LFS anonymised microdata database and questionnaire (by household's members)," ArmStat, **https://armstat.am/en/?nid=212**.

43 According to the 2014 TERA / Forum d'Avignon Study on the CCIs contribution to the EU economy. See: European Creative Business Network, The Cultural and Creative Industries in Europe, p.6.

TABLE 6.2. ARMENIAN CULTURAL EMPLOYMENT IN 2015 AND 2021

	Cultural industries		Non-Cultural industries		Total*	
	2015	2021	2015	2021	2015	2021
Cultural Occupations	7,733	11,846	44,411	57,402	52,144	69,248
Non-cultural Occupations	20,333	41,314	1,000,165	986,265	1,020,498	1,027,579
Total employment	28,066	53,160	1,044,576	1,043,667	1,072,642	1,096,827
Share of Cultural Occupation to total employment, %	2.62	4.85	4.14	5.23	4.86	6.31

* *Including employed in non-resident economic units.*

SOURCE
Armstat, Labour Force Surveys for 2015 and 2021. Methodology: UNESCO CDIS

From 2015 to 2021, there was substantial growth in cultural employment.

Untitled photograph in Vanadzor, Armenia. 2020.
Photo by Aram Kirakosyan

A NEED FOR CREATIVE EXPERTISE ACROSS SECTORS

Data from 2021 reveals that across all sectors, the non-cultural industries emerge as the largest employer of cultural workers, employing 57,402 individuals out of a total pool of 69,248 cultural workers (Figure 6.2). This accounts for approximately 83% of all documented cultural workers in Armenia. This sizeable share is likely due to the fact that the non-cultural industries have a significantly larger workforce. However, the share of employment of cultural workers to total employment in non-cultural sectors has increased from 4.1% in 2015 to 5.2% in 2021 (see Table 6.2). **These numbers show a growing demand for creative expertise across different sectors.**

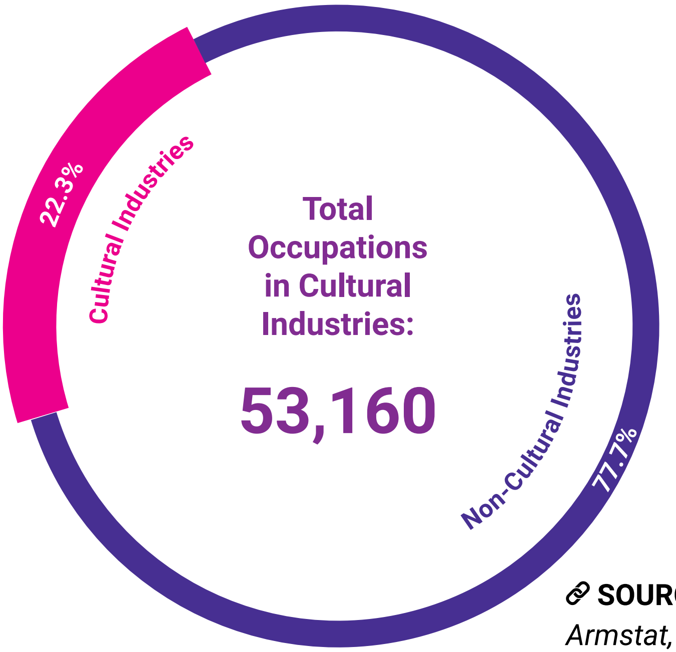
FIGURE 6.2: CULTURAL OCCUPATIONS IN THE CULTURAL AND NON-CULTURAL INDUSTRIES, 2021

SOURCE
Armstat, 2021 Labour Force Survey

EMPLOYMENT WITHIN THE CULTURAL INDUSTRIES

When looking at the pool of total employees within the cultural industries in 2021, only 22.3% held a cultural occupation (Figure 6.3), down from 27.6% in 2015. This means that the majority (77.7%) of full-time employees in the cultural industries are engaged in non-cultural work and that this number has risen over time.

FIGURE 6.3: OCCUPATIONS IN THE CULTURAL INDUSTRIES, 2021



SOURCE
Armstat, 2021 Labour Force Survey

This rise in non-cultural employment within the CCIs can be attributed to several factors. Firstly, the CCIs are increasingly opting to hire cultural workers on a gig-basis rather than offering them full-time or regular positions. According to the 2021 Labor Force Survey, an estimated 16% of all cultural occupations in Armenia are reported as informal employment. This is further supported by the results of our national survey of CCI organizations and businesses, in which 50% of respondents indicated that they did not employ any individuals solely dedicated to creative work. Additionally, a large portion, 53%, reported having employees engaged in both creative and technical tasks.

Another contributing factor to the growing share of non-cultural occupations within Armenia's CCIs is the rising demand for workers with digital skills such as web design, social media management, and digital marketing. Although UNESCO's definition of the Audiovisual and Interactive Media domain includes these occupations, Armenia's list of cultural occupations does not classify them as such, resulting in their exclusion from the count of cultural occupations. As the demand for digital expertise in the CCIs expands, and as Armenia continues to count these positions as non-cultural, the proportion of non-cultural occupations within the sector further rises.

"We need professionals that know how to work with online platforms like iTunes, Sound cloud, and YouTube...Our company is currently negotiating with a large international company for digital distribution. [But] there are issues with lack of corresponding lawyers, IP specialists, YouTube Managers, Digital Marketing Specialists to help us with these issues."

– Music sector representative

Also contributing to the increase of non-cultural occupations within the CCIs is the implementation of stricter regulations and policies concerning cash payments.[44] As a result, more formal business practices have been adopted, leading to a higher number of registered CCI businesses and organizations. This could contribute to a greater need for prioritizing administrative professionals over cultural experts amongst core staff. In our national survey, when creative organizations were asked what professions were needed to increase their income and productivity, key positions that were highlighted were Art Managers, Marketing Specialists (including social media managers), Sales Agents/Distributors, as well as legal and technical support.

Finally, the increasing globalization of the CCIs has created new opportunities for workers with skills in languages, cross-cultural communication, and international business. As the CCIs expand their reach beyond local markets, they require employees with diverse skill sets and experiences to navigate new cultural contexts and markets effectively.

44 In their efforts to combat tax evasion, Armenian authorities took proactive measures a few years ago by introducing, and more recently enforcing, stringent limitations on cash transactions. The bill that was approved by Parliament mandates that private firms and individual entrepreneurs carry out transactions worth more than 300,000 AMD (about $700) exclusively through the banking system. See: "Awareness Sheet Regarding Restricting Cash Payments," RA State Revenue Committee, (December 16, 2020), **https://www.irtek.am/views/act.aspx?aid=108808**.

Cultural workers are predominantly and increasingly employed by the non-cultural industries.

The decline in the number of full-time cultural professionals within the cultural sector can be attributed to several factors:

- *cultural experts largely working on gig-based contracts*
- *a greater need for full-time administrative employees (vs cultural workers) due to harsher financial regulations*
- *a greater need for digital and business development workers (vs cultural workers) for economic sustainability*

"Yana" movie set Directed by Martin Matevosyan, 2023.
Photo by Ed Tadevossian

THE TOP THREE CULTURAL OCCUPATIONS

In order to better understand which creative skills and professions are in demand, we looked at the top three cultural occupations within the cultural and non-cultural industries. This data, paired with our primary data on the perceptions of the sector, can provide insights on which professions are needed for boosting economic growth. This can also inform future policy development as well as educational programs and investment strategies.

Of the 11,846 jobs that comprise **cultural employment within the cultural industries** (A), the three most represented occupations in 2021 were:

Photographers and image and sound recording equipment operators (17.2%)

Authors, journalists and other writers (13.5%)

Decorators and commercial designers (12.5%)

Of the 57,402 **cultural jobs that comprise the non-cultural industries** (B), the three most represented occupations in 2021 were:

Chefs (28.1%)

College university and higher education teaching professionals (18.4%)

Tailors, dressmakers, and hatters (11.4%)

Given the large share of **cultural jobs in the non-cultural industries**, these three occupations were also the top three within all of cultural occupations (A+B). However, as mentioned in the previous section, Armenia's parameters for cultural employment within the cultural industries do not fully align with UNESCO's more expansive model of the CCIs. Specifically, the list of selected cultural employment codes from the ISCO database in Armenia only includes two occupations from the Audiovisual and Interactive Media domain (**Radio, television and other announcers**, and **Film, stage and related actors & directors**).[45] This is significant considering that this domain was found to have the largest number of jobs among CCI domains. We can therefore conclude that the majority of employees within the Audiovisual and Interactive Domain are engaged in non-cultural occupations (category C).

This limitation in cultural occupation codes can be illustrated further by comparing Finland's list of 47 ISCO codes for cultural occupations within the CCIs, to Armenia's list of only 17. Even with Finland's long list, certain occupations like Composers, Musicians, and Singers accounted for 5.3% of total CCI employment in 2019,[46] whereas in Armenia the same occupations only made up 3.6% of the total.

"We need world caliber film producers, animators, 3D/2D specialists, 2D artists, screenwriters, concept artists, game designers, animation producers. Only technical specialists are available."

– Gaming/Creative Tech sector representative

This discrepancy around national definitions of what is considered a cultural occupation is significant in that it reflects Armenia's overall lack of digital skills education and digital transformation in regards to the cultural sector. For example, many contemporary cultural occupations are not available within national classification databases, including distinctions within ITC domain between creative versus technical professions. And while it is generally acknowledged that the ITC sector is a main sector for growth and development in the country, there remain large skills and service gaps relating to creative IT work, which is an untapped potential for economic development.[47]

- *The current market shows that across both the cultural and non-cultural industries, the cultural occupations showing the highest demand (excluding the culinary sector[47]) are Cultural Educators, Photographers & Image/Sound Recording Professionals, and Design related professionals (commercial/decorating, dress-making/tailoring, etc).*
- *In contrast to European standards, many digital and IT-related occupations are still not considered by Armenian classifications as cultural occupations, therefore these professions are not reflected in these statistics.*

45 Refer to Table 6.4 in Appendix 2 for a more comprehensive list of cultural occupations in both the cultural and non-cultural industries, and their respective breakdowns.

46 See Statistics Finland's free statistical databases: **https://pxdata.stat.fi**.

47 While gastronomy is not included among the 11 sectors forming the UNESCO definition of the creative and cultural industries, the culinary arts are considered part of intangible cultural heritage and "culinary associate professionals" are included within cultural occupation codes according to the UNESCO Framework for Cultural Statistics (FCS). For the purpose of this research report, we are excluding gastronomy as a sector in the CCIs and following the strict 11 UNESCO sub-sectors.

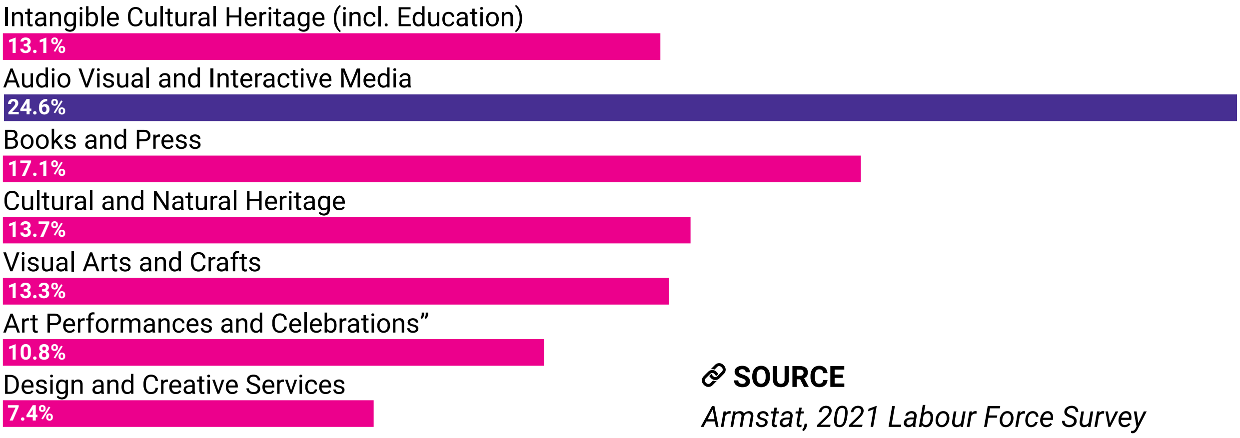
CULTURAL INDUSTRY EMPLOYMENT BY DOMAIN AND DOMAIN ACTIVITIES

When looking at the total pool of individuals employed by the Cultural Industries (both A and C) we can observe certain patterns. Firstly, we can identify which domains within the CCIs employ the highest number of individuals in both cultural and non-cultural occupations. Secondly, we can analyze the activities, or specific areas of expertise within a domain, that employ the largest overall workforce.

THE BIGGEST EMPLOYER IN THE CULTURAL INDUSTRIES BY DOMAIN

Our findings indicate that the **Audio Visual and Interactive Media** domain employs the largest percentage of individuals, accounting for 24.6% of the CCI workforce (Figure 6.4). Notably, this domain produces more than half (59.3%) of CCI output. In comparison, this domain is 2.4 times more productive than the average CCI domain. Nevertheless, as noted in the previous section, this domain is dominated by professionals working in what are considered non-cultural occupations (C category), and therefore is not reflective of a domain employing the most number of *cultural* workers (A + B categories).

FIGURE 6.4: DISTRIBUTION OF JOBS IN CULTURAL INDUSTRIES BY DOMAIN, 2021



SOURCE
Armstat, 2021 Labour Force Survey

THE BIGGEST EMPLOYER IN THE CULTURAL INDUSTRIES BY ACTIVITY

To better understand the distribution of jobs within each of the CCI domains, we looked at which activities employed the most number of individuals. By far occupations in **Wireless and Telecommunication Activities** (14.6%, a combination of NACE codes 6110 and 6120) dominate, closely followed by **Cultural Educators** (13.1%). Next are **Architectural Activities** (8.2%, codes 7111 and 7112), **Library and Archives** (7.8%), and **Broadcasting** (7.1%; codes 6010 and 6020). See Table 6.3 for details.

TABLE 6.3: PRIMARY JOBS* IN THE CULTURAL INDUSTRIES BY ACTIVITIES AND BY SEX, 2021, PERSONS

NACE rev. 2 codes	Activity,	Total number	Share of total, %	# of Male	# of Female
8552	Cultural education services	6,972	13.1	2,091	4,881
6110	Wired telecommunications activities	6,082	11.4	4,357	1,725
9101	Library and archives activities	4,167	7.8	484	3,683
6020	Television programming and broadcasting activities	3,581	6.7	3,101	480
9001	Performing arts	3,003	5.6	1,511	1,492
9102	Museums activities and operation of historical sites and buildings	2,788	5.2	577	2,211
9004	Operation of arts facilities	2,636	5	840	1,796
7112	Architectural and engineering activities and related technical consultancy	2,211	4.2	2,010	201
7111	Activities in the field of architecture	2,121	4	893	1,228
4761	Retail sale of books, newspapers and stationery in specialized stores	1,779	3.3	757	1,022
6120	Wireless telecommunications activities	1,689	3.2	1,164	525
1812	Other Printing	1,643	3.1	1,192	451
6399	Other information service activities n.e.c.	1,560	2.9	-	1,560
4649	Wholesale of other household goods	1,490	2.8	283	1,207
3212	Manufacture of jewelry and related articles	1,337	2.5	1,337	-
9003	Creative activity	1,308	2.5	663	645
7311	Advertising	1,206	2.3	281	925
7420	Photographic activities	1,143	2.2	820	323
7220	Research and experimental development on social sciences and humanities	1,141	2.1	800	341
4742	Retail trade of telecommunications equipment in specialized stores	1,126	2.1	544	582
5813	Publishing of newspapers, journals and periodicals	921	1.7	138	783
1811	Printing	838	1.6	592	246
7410	Specialized design activities	532	1	-	532
6391	News agency activities	446	0.8	159	287
5811	Book publishing	433	0.8	433	-
2640	Manufacture of consumer electronics	384	0.7	-	384
9103	Operation of historical sites and buildings and similar visitor attractions	319	0.6	237	82
6010	Radio broadcasting	215	0.4	215	-
9002	Support activities to performing arts	63	0.1	63	-
3220	Manufacture of music instruments	23	0	-	23
Total employment in the cultural industries		**53,157**	**100**	**25,542**	**27,615**

* *A primary job is a job that a person considers as the main source of income and employment (taking the most time)*

SOURCE

Labour Force Survey –Statistical Committee of the Republic of Armenia (2021)

Activities employing the largest number of individuals (including non-cultural workers) are: IT & Wireless Telecommunications activities, Educational activities, and Architectural activities.

INFORMAL EMPLOYMENT IN ARMENIA'S CCIS

As mentioned earlier, one of the problems of the CCIs is related to the informal economy, particularly informal employment. This includes freelance work, self-employment, and part-time work. According to the UN's International Labour Organization:

This non-standard form of employment is characterized by an economically dependent relationship disguised [by the employer or business] for tax purposes, in order to avoid social protection costs, or to circumvent labour laws.

This [employment] situation is characterized by low income, job insecurity, insufficient or non-existent social protection and little or no access to benefits normally reserved for employees. While the high level of flexibility may benefit some of these workers, most of them would prefer to have greater continuity and stability.

Tracking informal employment is a challenge in any country or sector, and gathering accurate statistics on the matter is complex. However, the ArmStat Labor Force Survey (LFS) enables capturing *some* of the informal employment in Armenia's CCIs. The LFS accomplished this by asking respondents to describe their employment status, and including options such as "Employee with a verbal agreement," "Own-account worker (self-employed)," and "Unpaid family worker" as answers to this multiple choice question.[49]

According to the 2021 LFS **the share of informal employment in cultural occupations amounted to 15.7% of total employment**. For comparison, the informal employment rate in the services sector of Armenia in 2021 was notably lower, at 10.8%.[50] It is also highly likely that informal employment in the sector is underestimated. According to insights from our focus group discussions and expert interviews, our research team concluded that within the CCIs, the sector that appears to have the most informality is the visual arts sector, predominantly artists and craft workers. This excludes designers, illustrators and other more commercially oriented professions that tend to be formalized through the status of independent entrepreneur.

48 Source: Marc Gruber, Challenges and opportunities for decent work in the culture and media sectors, (International Labour Organization, Working Paper No. 324, 2019), p.10, **https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---sector/documents/publication/wcms_661953.pdf**.

49 See: ArmStat, "Labour Force Survey Questionnaire," (2019), Question E7, **https://www.armstat.am/file/doc/99535553.pdf**.

50 See: ArmStat, "Chapter 4.3: Formal and Informal Employment," Labour Market in Armenia (2022), p.240, **https://www.armstat.am/file/article/lab_market_2022_4.3.pdf**.

"Although there are higher income generation opportunities for registered businesses, many artists are afraid to start their businesses (they work informally). They do not know how to register and run a business."

– Craft/Visual Arts sector representative

- *Informal employment is common in the CCIs in both Armenia and the EU, leading to an unstable employment environment that needs addressing.*
- *If improved, the occupational status of independent entrepreneurs could increase formality.*

The status and conditions of independent entrepreneurs in Armenia is a topic worth further research and development. As of February 2023, the State Revenue Committee of Armenia's enterprise database reported that approximately 5,100 businesses listed at least one code related to the CCIs in their activities. A large portion of these businesses had only one or two employees (29%), and/or were registered as Individual Entrepreneurs (54%), highlighting that the CCI sector is primarily composed of locally owned micro, small, and medium-sized enterprises. Comparatively, the share of self-employed creative and performing artists, authors, journalists, and linguists in the EU-27 countries in 2021 was estimated to be about 46%.[51] This data is in line with a global trend of freelancers and the "gig economy" being common to the creative sector.

However, the benefits and conditions of independent entrepreneurs in Armenia are frequently changing, which we believe causes barriers to formalizing the sector. Developing this occupational status would be beneficial both to workers as well as the country's aspirations to increase professional formalization. Our national survey with CCI Organizations and Businesses also revealed the following barriers to formal employment and hiring procedures from the employer's perspective: Lack of knowledge among candidates (35% of respondents selected this option), lack of specialists in general (33%), lack of financial means for hiring (31%).

51 This is according to the Eurostat data portal, "Persons working as creative and performing artists, authors, journalists, and linguists by individual and employment characteristics," last updated July 7, 2023, **https://ec.europa.eu/eurostat/databrowser/view/CULT_EMP_ARTPC/default/table**.

CONCLUSIONS & RECOMMENDATIONS

Employment in the CCIs has been steadily increasing both globally and locally over the years. However, the cultural and creative sector is also known for its unwarranted and low-paid jobs, with many workers relying on freelance or part-time work.

> "The [museum] sector is a dying one as the salaries are very low (about AMD 80k) and many creatives are obliged to combine their main job with other activities. Young specialists do not stay in the sphere, while older generations do not have digital skills…There is not enough funding for the support staff, such as for gallery attendants."
>
> *– Museum/Visual Arts sector representative*

Analysis of the state of cultural employment in the country from different perspectives - top occupations, by domain, and by CCI activity - paints a diverse picture of how individuals participate professionally in the sector. It is important to look at this data from different lenses, as data aggregation can lead one to different outcomes and conclusions. For example, when looking only by domain, the Audio-Visual and Interactive Media domain emerges as the largest employer. However, a closer look at activities reveals that this domain is dominated by Wireless Technology activities, and employs few cultural experts. When looking at specific occupations, the crafts sector emerges as a dominant category, particularly within the fashion-related sector of textile workers, tailors and dressmakers. Some occupations appear at the cross-section of these diverse breakdowns, for example the significance of Cultural Educators, remains a dominant category across occupations and activities. These observations can lead us to various conclusions about the sector's potential strengths and weaknesses, and how policy and education can enhance skills.

For impact in numbers, investments in upskilling educators would not only affect a large workforce, but have immense trickle-down effects to strengthen the sector. Strategic policy and investments in the fashion and textile sector could improve professional skills and production quality to position Armenia at an internationally competitive industry level. While strategic investments in digital transformation and the shaping of *creative* tech professions like digital marketing, animation, and other creative expertise presents a huge potential to drive economic growth and innovation. Across the CCI sectors, representatives voiced a need for experts in business development, management, and distribution professionals in order to expand productivity.

In conclusion, Cultural Employment is a challenging and complex indicator that requires special attention in order to better understand the dynamics at play around job creation and income generation, and the overall needs and welfare of the sector. Analysis of cultural employment was challenging as our research team experienced difficulties with classifications, aggregations and disaggregation of available data. Overall, improving the statistics on cultural employment requires a rigorous effort from a range of stakeholders, including researchers, policymakers, and practitioners. By developing standardized definitions and classifications, improving data collection methods, promoting data sharing and collaboration, conducting regular reviews and evaluations, and investing in research and development, our understanding of cultural employment and the role it plays in our economies and societies can be improved.

Based on our findings, we recommend the following actions:

1. Education and skill development:

We need to invest in business development, management and marketing/distribution skills across all cultural sectors.

2. Cultural policies and regulations:

We need cultural policy to better support freelance and informal employment to improve overall social protection.

3. Digital transformation:

Further investment is needed in digital expertise, and to create more ties between creative and technical experts in order to drive innovation.

4. Improve national cultural employment statistics:

To achieve sustainable comparability of data over time and with other countries, more accurate data and computation methods are needed. Specifically, standardizing definition and revising occupation classifications to reflect new digital and technological related professions from the recent decades.

7. CULTURAL CONSUMPTION: AN INDICATOR OF THE NATIONAL MARKET FOR CULTURE

Cultural consumption encompasses a diverse range of activities including: attending cultural events, visiting cultural institutions, reading books, listening to music, watching movies, and participating in other forms of cultural expression. Understanding the patterns and trends in cultural consumption provides insight into the size and potential of the national market for culture. Additionally, expenditures on culture can indicate the potential for growth and expansion within the sector. By analyzing these expenditures, cultural institutions and policymakers can make informed decisions about resource allocation and cultural policy.

Various metrics can be used to measure cultural consumption, such as the number of attendees at cultural events, purchases of cultural goods, time spent on cultural activities, and online behavior. UNESCO recommends looking at household consumption of culture, by calculating the **share of cultural versus total expenditures per household**.[52]

The artist Suren Kharazyan sculpting Viktor Hambardzumyan's bust. 2017. **Photo by Ed Tadevossian**

52 This indicator does not cover all cultural household consumption or the contribution of the CCI sector to national GDP from the perspective of spending since: 1.) it includes imports, so accounts for consumption of goods and services from cultural industries outside of the country; 2.) it does not include the value of exports; 3.) it excludes the majority of non-market products, in other words, free cultural events, activities, goods, and services; 4.) leaves out certain spending on cultural products that are not directly financed by households, such as design services and advertisements.

WORKING WITH ARMSTAT HOUSEHOLD SURVEY DATA: AN INCOMPLETE AND CONTROVERSIAL PICTURE

The above mentioned indicator largely uses data from the annually conducted **Integrated Living Conditions Survey (ILCS)**, the source for reported household expenditures in Armenia. The most recent ILCS in Armenia among households was conducted by ArmStat in 2021.

Our attempt to calculate the indicator and compare 2021 data to 2015 data revealed some deficiencies and challenges. **The main barrier to data analysis came from the lack of quality data available.** This can be attributed to changes in data collection approaches, and more importantly, to changes in data sources during this time period.

Regarding the data collection approach, in 2015 household expenditures were reported through a diary system that recorded daily expenses, while in 2021, a survey was administered. Whether using the diary or survey format, in both cases when households report cultural expenditures, they made reference to a selection of items from the **National Classification of Individual Consumption by Purpose.**[53] However, the list of cultural items was not extensive enough to provide quality data insights on cultural expenditures. This is evidenced by a lack of reported values, particularly in the 2021 ILCS. For example, expenditures in four of the ten Cultural Consumption items in 2021 were not reported at all, skewing total consumption numbers and putting data that was collected into question. To illustrate, expenditures in **Information Processing Equipment** were not reported at all in 2021, in contrast to 2015 data which shows expenditures of 100,874,049 AMD (see Table 7.1).

53 To calculate the Armenia indicator, equivalent items are identified from: "The National Classification of Individual Consumption by Purpose," Armenian Legal information System, (October 24, 2013), **https://www.arlis.am/DocumentView.aspx?DocID=91153. Approved by the order N 876-N dated September 19, 2013 of the Minister of Economy of RA**.

TABLE 7.1: CULTURAL CONSUMPTION BY HOUSEHOLD IN ARMENIA, 2015 AND 2021

Cultural Consumption items (4-digit groups)		Value, current prices, AMD		Share in total HH consumption, %		Share in HH cultural consumption, %	
		2021	2015	2021	2015	2021	2015
Expenditures in "Central Cultural" goods and services		**127,491,004**	**155,920,835**	**0.0010**	**0.0013**	**96.40**	**37.58**
09.1.4	Recording media	1,274,603	117,632	0.000	0.000	0.964	0.028
09.4.2	Cultural services	23,284,208	102,140,574	0.000	0.001	17.606	24.618
09.5.1	Books	34,609,754	11,847,108	0.000	0.000	26.170	2.855
09.5.2	Press	548,279	4,816,885	0.000	0.000	0.415	1.161
12.3.1	Jewelry, clocks and watches	67,774,161	36,998,636	0.001	0.000	51.247	8.918
Expenditures in "Cultural Equipment and Support Materials" goods and services		**4,759,203**	**258,972,877**	**0.00004**	**0.00215**	**3.60**	**62.42**
09.1.1	Equipment for sound and pictures	4,759,203	153,354,407	0.000037	0.0013	3.5986	36.9623
09.1.2	Photographic and cinematographic equipment	-	1,233,069	0.0000	0.0000	0.0000	0.2972
09.1.3	Information processing equipment	-	100,874,049	0.0000	0.0008	0.0000	24.3132
09.1.5	Repair of audio-visual, photographic and information processing equipment	-	3,006,769	0.0000	0.0000	0.0000	0.7247
09.2.2	Musical instruments and major durables for indoor recreation	-	504,583	0.0000	0.0000	0.0000	0.1216
Total cultural consumption		**132,250,207**	**414,893,712**	**0.0010**	**0.0035**	**100.0**	**100.0**

SOURCE
Armstat ILCS for 2015 and 2021.

METHODOLOGY:
UNESCO CDIS.

What's more, using the data that is available, our calculated indicator for cultural consumption in Armenia in 2021 would be .001%, as compared to .0035% in 2015.[54] This exponential drop in cultural consumption could be symptomatic of problems in data collection as opposed to representing a downward trend in consumption. However, the values from both years are troubling in terms of Armenia's state of cultural consumption. For comparison, in 2017, households in the European Union spent 8.5% of their total consumption expenditure on "Recreation and Culture."[55]

Having said that, it is important to note that Armenia offers many free cultural events, in part due to the country's low economic vitality and in part due to the cultural legacy of the post-soviet context which presented culture as a free human right. Where in the UK, the average museum ticket cost is 23 EUR, in Armenia the average price is around 2 EUR.[56] It is expected that household expenditures on culture would be significantly lower in Armenia as opposed to Europe.

54 UNESCO, Armenia's Technical Report, (2017).

55 See: Eurostat, "Household spending on recreation and culture," (January 11, 2019), **https://ec.europa.eu/eurostat/web/products-eurostat-news/-/DDN-20190111-2**.

56 See a referable source here: Compendium of Cultural Policies and Trends, "Prices for Selected Popular Cultural Goods and Services," **https://www.culturalpolicies.net/statistics-comparisons/statistics/markets/#1640078812363-0f5ad3c6-71be**.

Table 7.2 further supports our conclusion that the data sources are not representative. The table shows that the average per capita monthly household expenditure on **Recreation and Culture**[57] from 2004 to 2021 ranges from 3 AMD (in 2004 and 2008) to 121 AMD (or .25 EUR in 2018), which is unfeasibly low. Moreover, these values are highly volatile, showing extreme year-on-year fluctuations.

TABLE 7.2: AVERAGE MONTHLY PER CAPITA NOMINAL CONSUMPTION EXPENDITURES OF HOUSEHOLDS IN ARMENIA, 2004, 2008, 2013-2021, AMD

Item	2004	2008	2013	2014	2015	2017	2018	2019	2020	2021
Total consumption	19,251	28,878	36,787	40,770	42,867	44,413	45,788	47,324	46,803	49,999
Consumption on Recreation & Culture	3	3	20	8	101	98	121	15	5	11
Cultural consumption in total HH consumption, %	0.016	0.010	0.054	0.020	0.236	0.221	0.264	0.032	0.011	0.022

SOURCE

Armstat reports on "Social Snapshot and Poverty in Armenia," for 2004-2015 (page 13/124) and 2017-2021 (page 9/16).

57 Recreational expenditures include holiday packages, games, toys and hobbies, gardens, plants and flowers, among other items

CONCLUSIONS & RECOMMENDATIONS

The indicator for cultural consumption is a crucial metric for assessing both the market for national culture as well as public interest in culture, and allows us to compare these statistics to global counterparts. Currently, we need better quality data on household expenditures on culture in order to calculate a meaningful indicator for the Armenia context. The following recommendations are intended for **ArmStat's Household Survey department**, in order to improve data analysis potential.

1. Data Sources:

Revise the current list of items within the ***National Classification of Individual Consumption by Purpose*** *that are considered Cultural Goods and Services, in accordance with the UN's COICOP-2018 classification system.*

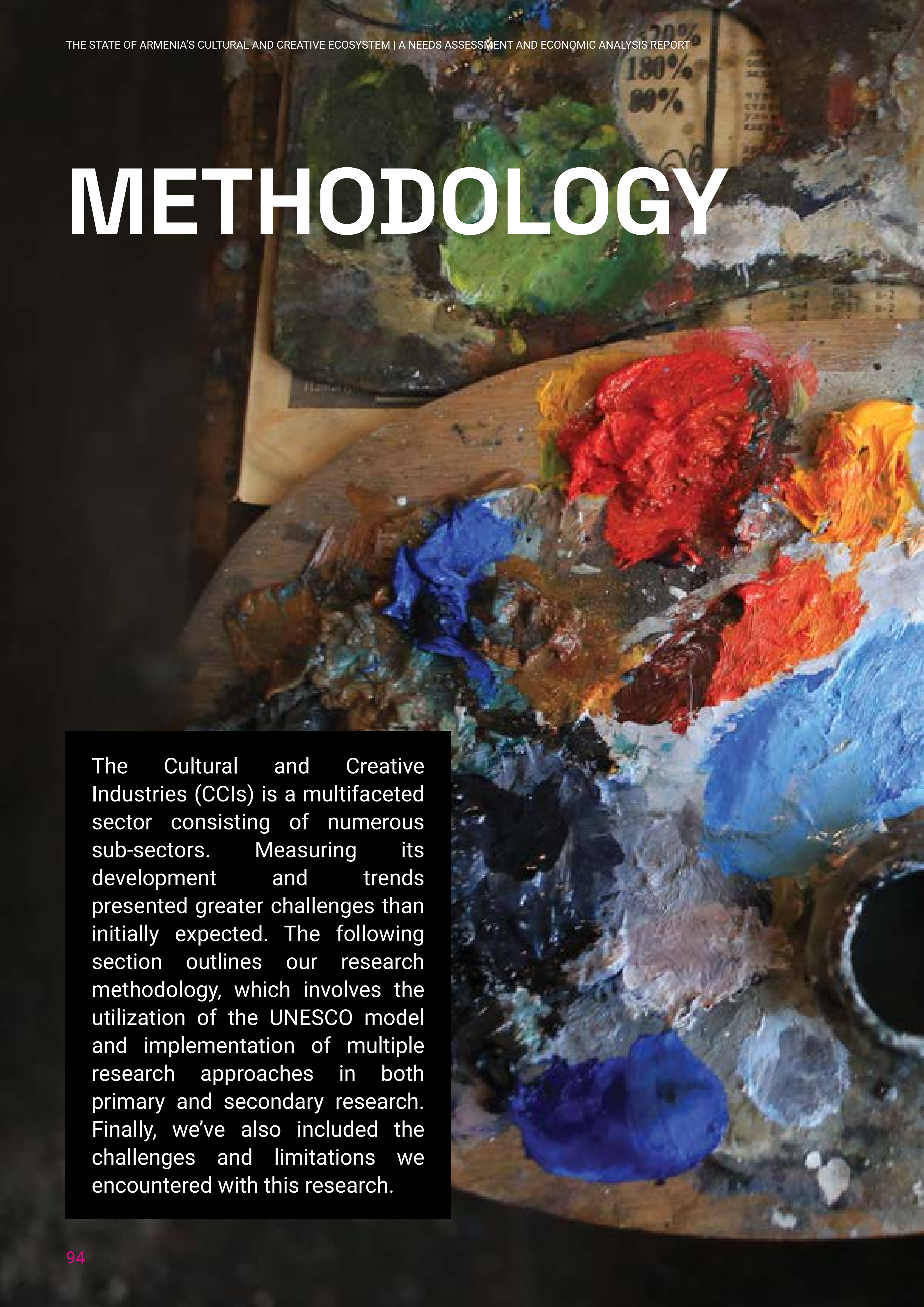
2. Data Collection:

Either administer a separate survey for cultural consumption, or create a separate section for cultural expenditures within the household expenditures survey, to enable the gathering of more accurate nuanced data.

3. Officially Published Data:

ArmStat should publish data on cultural consumption that is distinct from expenditures on recreation. Specifically, culture should be separated from items like Sports, Holiday Packages, etc. so that data enables international comparisons.

Lastly, we recommend that **UNESCO** expands its definition of cultural consumption in order to incorporate the consumption of free cultural events. If the indicator intends to reflect public interest in culture (not only the national market for culture), then understanding public attendance and/or consumption of free cultural events is an important metric in order to include more financially disadvantaged or marginalized segments of society.



METHODOLOGY

The Cultural and Creative Industries (CCIs) is a multifaceted sector consisting of numerous sub-sectors. Measuring its development and trends presented greater challenges than initially expected. The following section outlines our research methodology, which involves the utilization of the UNESCO model and implementation of multiple research approaches in both primary and secondary research. Finally, we've also included the challenges and limitations we encountered with this research.

Color palette from artist Arman Grigoryan’s studio, 2019.
Photo by Ed Tadevossian

THE UNESCO MODEL

There are multiple definitions and models used to define the CCIs and to determine which sectors are included in the definition. These range from the UK's Department for Culture, Media and Sport (DCMS)'s definition to the models and definitions outlined by the National Endowment for Science, Technology and the Arts, UK (NESTA), the United Nations Conference on Trade And Development (UNCTAD), the European Commission's head of Education & Culture (KEA European Affairs), and the United Nations Educational, Scientific and Cultural Organization (UNESCO).

From its conception, the Katapult Creative Accelerator Program aligned itself with the UNESCO definition for the following key reasons:

The UNESCO model is the most widely adopted model, and therefore allows us to compare results with global studies.

A first study on the CCIs implemented in Armenia from 2015-2017 used the UNESCO model, which we intended to expand.

The UNESCO model identifies 11 sub-sectors within the Cultural and Creative Industries:

- *Television*
- *Architecture*
- *Movies*
- *Visual Arts*
- *Books*
- *Music*
- *Newspapers & magazines*
- *Performing Arts*
- *Radio*
- *Advertising*
- *Gaming*

These sub-sectors and their respective social and economic activities are further aggregated into six central cultural "Domains." UNESCO defines a cultural domain as "cultural activities, goods and services that are generated by industrial and non-industrial processes."[58] Figure 1 provides a visualization of the six domains and their relationship to "related domains" or sectors upon which cultural domains have spillover economic effects (Tourism, Sports and Recreation).

58 UNESCO Institute for Statistics, "2009 UNESCO Framework for Cultural Statistics," p.10, **https://unesdoc.unesco.org/ark:/48223/pf0000191061**.

FIGURE 1: UNESCO FRAMEWORK FOR CULTURAL DOMAINS

CULTURAL DOMAIN

A. Cultural and Natural Heritage
- Museums (also virtual)
- Archeological and Historical Places
- Cultural Landscapes
- Natural Heritage

B. Performance and Celebration
- Performance Arts
- Music
- Festivals, Fairs and Feasts

C. Visual Arts and Crafts
- Fine Arts
- Photography
- Crafts

D. Books and Press
- Books
- Newspapers and Magazine
- Other Printed Matter
- Library (also vistual)
- Book Fairs

E. Audio-Visual and Interactive Media
- Film and Video
- TV and Radio (also Internet Live Streaming)
- Internet Podcasting
- Video Games (also Online)

F. Design and Creative Services
- Fashion Design
- Graphic Design
- Interior Design
- Landscape Design
- Architectural Services
- Advertising Services

RELATED DOMAINS

G. Tourism
- Charter Travel and Tourism Services
- Hospitality and Accommoda-tion

H. Sports and Recreation
- Sports
- Physical Fitness and Well Being
- Amusement and Theme Parks
- Gambling

INTANGIBLE CULTURAL HERITAGE
(oral traditions and expressions, rituals, languages, social practices)

EDUCATION AND TRAINING

ARCHIVING AND PRESERVING

EQUIPMENT AND SUPPORTING MATERIALS

Table 1 provides a more detailed breakdown that specifies the "activities" attributed to each of these cultural domains in Armenia. This data was collected from the Statistical Committee of the Republic of Armenia (ArmStat), and categorized according to the above UNESCO domains using the UNESCO Framework for Cultural Statistics (FCS) method. This process proved to be challenging for multiple reasons, primarily due to the discrepancies between Armenian and international methods and classifications, as well as the changing code classifications within the Armenian system from 2014 until today.

TABLE 1: DISTRIBUTION OF THE CCI ACTIVITIES IN ARMENIA ACCORDING TO UNESCO'S SIX CULTURAL DOMAINS.

Domain	Codes for 2014	Codes for 2022	Activity Class
A. Cultural and Natural Heritage			
A	9101	9101	Library and archives activities
A	9102	9102	Museums activities and operation of historical sites and buildings
A	-	9103	Operation of historical sites and buildings and similar visitor attractions
A	9104	9104	Botanical and zoological gardens and nature reserves activities
B. Art Performances and Celebrations			
B	3220	3220	Manufacture of music instruments
B	5920	5920	Sound recording and music publishing activities
B	9000	-	Creative, arts and entertainment activities
B	-	9001	Performing arts
B	-	9002	Support activities to performing arts
B	-	9004	Operation of arts facilities
B	1820	1820	Reproduction of recorded media
C. Visual Arts and Crafts			
C	-	3212	Manufacture of jewelry and related articles
C	-	7220	Research and experimental development on social sciences and humanities
C	7420	7420	Photographic activities
C	-	9003	Artistic creation
D. Books and Press			
D	5811	5811	Book publishing
D	5813	5813	Publishing of newspapers, journals and periodicals
D	5819	5819	Other publishing activities
D	1811	1811	Printing
D	-	1812	Other Printing
D	-	4761	Retail sale of books, newspapers and stationery in specialised stores
D	-	6391	News agency activities
D	-	6399	Other information service activities (not elsewhere classified)
D	-	4649	Wholesale of other household goods (including non-specialised)
E. Audio-visual and interactive media			
E	-	4742	Retail sale of telecommunications equipment in specialised stores
E	-	4763	Retail sale of music and video recordings in specialized stores
E	-	5821	Computer Games
E	5911	5911	Motion picture, video and television programme production activities
E	5912	5912	Motion picture, video and television programme post-production activities
E	5913	5913	Motion picture video and television programme distribution activities
E	5914	5914	Motion picture projection activities

E	6010	6010	Radio broadcasting
E	6020	6020	Television programming and broadcasting activities
E	2640	2640	Manufacture of consumer electronics
E	6110	6110	Wired telecommunications activities
E	6120	6120	Wireless telecommunications activities
E	6130	6130	Satellite telecommunications activities
E	-	6312	Web portals
E	-	7722	Renting of video tapes and disks
F. Design and creative services			
F	-	7112	Architectural and engineering activities and related technical consultancy
F	7310	7311	Advertising
F	7410	7410	Specialized design activities
Intangible Cultural Heritage: Transversal Domains			
	-	8552	Cultural education services

SOURCE

National accounts – National Statistical Service of the Republic of Armenia (2014 and 2022).

Sources used for identification of CCI codes and their allocation by domain:

1. *"The 2009 UNESCO Framework for Cultural Statistics," p.51-58,* ***https://unesdoc.unesco.org/ark:/48223/pf0000191061****.*
2. *"Guide to Eurostat culture statistics 2018 edition," Table 2, p.15-16,* ***https://ec.europa.eu/eurostat/documents/3859598/9433072/KS-GQ-18-011-EN-N.pdf/72981708-edb7-4007-a298-8b5d9d5a61b5****.*
3. *European Statistical System Network on Culture (ESSnet-CULTURE), "ESSnet-CULTURE Final Report, Table 2: Cultural domains by economic activities, NACE Rev.2"* ***https://elearning.unite.it/pluginfile.php/202965/mod_resource/content/1/NACE%20codes%20%28EssNet%29.pdf.***

SECONDARY RESEARCH: Evaluating Existing Data

LITERATURE REVIEW: GETTING TO KNOW THE CONTEXT

A **literature review** was conducted to assess and compare current global and local trends in the CCIs. This involved a comparative analysis of national strategies for culture, economic trends, digitization efforts, the impact of COVID-19, and other unique characteristics specific to the cultural and creative sector.

Additionally, a detailed review of publicly available information on Armenia's educational system, CCI-tailored services in logistics and payment solutions, recent policy changes in Armenia, as well as promotional platforms for culture, supported the needs assessment for our program. These reviewed documents came from a variety of sources, including government offices, international organizations, NGO's, official university online web portals, and more. See bibliography in Appendix 3 for a comprehensive list of sources.

DATA ANALYSIS: ECONOMIC IMPACT

In addition to a literature review, we conducted an **analysis of secondary data** from ArmStat to evaluate the economic impact of the CCIs on Armenia's national GDP and employment. Using the UNESCO Framework for Cultural Statistics and their respective methodology (CDIS Methodology), 2022 data was extracted from official statistics provided by ArmStat by corresponding codes.

It's important to note that Armenia uses different code systems for classifying different economic indicators. Our research focused on assessing three main economic indicators: the CCIs contribution to national GDP, employment, and the consumption of cultural goods and services. Their respective code systems are:

1. NACE (for assessing GDP)

Statistical Classification of Economic Activities in the European Community (NACE stands for the French term "nomenclature statistique des activités économiques dans la Communauté européenne").

2. ISCO 88 (for employment)

A classification for occupations that Armenia is currently using, whereas the global standard has been upgraded to ISCO 08, a new standard and coding system which Armenia has not yet adopted.

3. COICOP 2013 (for consumption)

A national Classification of Individual Consumption by Purpose (2013) which pretty well corresponds with the international COICOP-2018.

CHALLENGES AND LIMITATIONS OF SECONDARY RESEARCH

The principal challenge in acquiring economic data related to the CCIs in Armenia arises from discrepancies in codes and classifications. Not only does Armenia follow different standards than those followed internationally, but it also has its own aggregated classifications for statistics in “Arts, entertainment and recreation,” that make it difficult to disaggregate and recompose according to other aggregation standards. Furthermore, while we assumed that the research from 2017 would provide us with fundamental groundwork to “refresh” numbers in 2022, a recent change in the code system from a three-digit system to a four-digit system meant that we had to redefine the correct codes and classifications from scratch. Instead, we used the 2017 list of codes as a reference document, together with the UNESCO statistical framework for culture, when doubtful of a particular activity’s inclusion (or not) within the sector.

In terms of employment statistics, our surveys and conversations with sector actors revealed that many individuals hold multiple jobs. The statistics reflect data mainly from primary employment, and hence we acknowledge that there might be discrepancies from the actual situation. Additionally, a significant proportion of cultural employment often involves informal employment, such as freelancers and self-employed workers, which can be difficult to measure accurately. Finally, The cultural sector is constantly evolving, with new technologies, trends, and forms of artistic expression emerging over time. This dynamism can make it difficult to develop and maintain accurate measures of cultural employment.

For cultural consumption, one should take into account that it is highly subjective and depends on personal preferences and experiences, making it difficult to quantify the subjective experience of engaging with cultural goods and services. Data on cultural consumption may be incomplete or underreported in official statistics, depending on data collection methods. In particular, the household consumption data within the ILCS in 2021 were collected through a questionnaire, while in 2015 a diary was also used. Finally, cultural consumption is influenced by economic factors such as income, wealth, and employment status. Changes in the economy may impact cultural consumption patterns, making it challenging to measure cultural consumption accurately over time. Also, traditional methods of measuring cultural consumption with the COICOP-2013 national classifier may not be able to capture new trends and emerging forms of cultural consumption, such as the consumption of digital assets.

Bambir concert “Yerevan 2800”, 2018.
Photo by Ed Tadevossian

PRIMARY RESEARCH: Gathering New Information

For our needs assessment, we collected both quantitative and qualitative data from employers and employees within the respective CCI domains to evaluate perceptions, expectations, attitudes, and behaviors.

QUANTITATIVE STUDY: CATI & SELF-ADMINISTERED SURVEY

From February to March 2023, we gathered data using **Computer Assisted Telephonic Interviews (CATI)** about CCI businesses and organizations through their owners and executives. The CATI survey was conducted with individuals listed in the database of the RA State Revenue Committee. We had a response rate of 9%, conducting a total of 401 interviews.

The CATI survey for CCI business employers gathered data via a specially developed questionnaire that covered:

- *Respondent demographics*
- *Labor*
- *Finance, investments, turnover, impact of COVID-19, and informality*
- *Digitization, commercialization, exports*
- *Challenges in the business environment and possible solutions*
- *Post interview-demography & other topics*

At the same time we implemented a **self-administered online survey** to gather data from self-employed (unregistered) individuals working within the CCIs. The purpose of gathering this information was to address the numerous challenges encountered by these workers, especially given the prevalence of this employment status within certain CCIs (e.g. in visual arts).

The online survey was administered through Google forms and was shared with 356 individuals listed in our internal program database. We also reached out to additional contacts through cultural union leaders. Although our intention was to collect data from self-employed workers, the survey received responses from 156 individuals with various occupational statuses, with only 35 classified as self-employed. As a result, we did not include this data in our report.

The self administered online survey for self-employed individuals gathered data on:

- *Respondent demographics*
- *Membership to professional unions*
- *Access to physical and online platforms for creativity and commercialisation*
- *Satisfaction regarding income and job security*
- *Challenges around income generation and growth*
- *Barriers hindering the transition to formal employment (such as business registration) and relevant solutions*

By gathering primary data directly from cultural and creative businesses and self-employed workers, we were able to triangulate State and entity-level statistics and registration systems, which revealed existing gaps. This approach revealed opportunities to increase dialogue, collaboration, and the synchronization of cultural policies and financial mechanisms across multiple public agencies and cultural institutions responsible for culture. Table 2 presents a brief description of our quantitative research components.

TABLE 2: QUANTITATIVE RESEARCH IN BRIEF

	Computer Assisted Telephonic Interview (CATI)	Self-administered online survey
Target Group	CCI executives and business owners	Self-employed workers
Period	February - March 2023	February - March 2023
Sampling Method	Controlled quota sample	Convenience
Total # of Respondents	401	156
Respondent Makeup	• *Individual entrepreneurs (IEs): 201* • *LLCs: 141* • *Other: 59*	• *Self-employed: 35* • *Individual entrepreneurs: 28* • *Paid employees from CCIs: 15* • *Businesses: 44* • *Not-specified respondents: 34*
Respondent Location	• *63% from Yerevan* • *36% from marzes*	• *83% from Yerevan* • *17% from marzes*
Respondent Gender	• *37% Female* • *63% Male*	• *66% Female* • *34% Male*

QUALITATIVE STUDY: KEY INFORMANT INTERVIEWS & FOCUS GROUP DISCUSSIONS

Between September 2022 and February 2023, we conducted 19 **focus group discussions** and 14 **one-on-one interviews** with key stakeholders such as industry representatives, public officials, and CCI experts. These discussions and interviews took place in person, online, and via phone.

Of the 19 focus group discussions, 16 were held with a total of 150 CCI agents (including two with regional CCI representatives) and 3 were held with a total of 48 CCI enablers in areas such as e-commerce, IP law, and logistics. The approach for selecting FGD participants was to have a variety of them (by gender, occupation, organization type, CCI sub-sectors, etc.) in each CCI group. The goal of the FGDs was to assess the basic needs and obstacles for the economic growth of various CCI sectors. See Table 3 for a more detailed breakdown.

TABLE 3: QUALITATIVE RESEARCH IN BRIEF

	Focus Group Discussions (FGDs)	Key Informant Interviews (KIIs)
Target Group	Representatives of CCIs and supporting sectors (IP law, e-commerce, logistics)	Representatives of CCIs
Period	Sept. 2022 - Feb. 2023	Nov. 2022 - Jan. 2023
Sampling Method	Participants were selected (from Katapult database) to represent all CCIs and supporting sectors	Participants were selected to fill in the gaps where we had lack of certain sub-CCI sectors in FGDs
# of Participants	198	14
Participant Makeup	• *Movies: 16* • *TV & Radio: 6* • *Books: 10* • *Newspapers & Magazines: 8* • *Advertising & Graphic Design: 5* • *Visual Arts: 47* • *Music: 16* • *Performing Arts: 12* • *Architecture: 10* • *Gaming: 6* • *IP Law: 23* • *E-commerce: 15* • *Logistics: 10* • *From Syunik: 10* • *From Shirak: 4*	• *Ara Tadevosyan, Mediamax* • *Armen Martirosyan, Antares* • *Armen Yesayants, Cafesjian Center* • *Pavel Guroghlyan, Vernissage* • *Mushegh Asatryan, Film distributor* • *Jivan Avetisyan, Film director and producer* • *Diana Mnatsakanyan, UCOM* • *Hrach Keshishyan, Movie industry representative* • *Aram Sargsian, Arame Art Gallery* • *Armine Shahbazyan, Graphic designer* • *Karo Balyan, Theater director* • *Narine Tukhikyan, Museum director* • *Sarhat Petrosyan, Architecture industry representative* • *Viktoria Maloyan, Director of Aralez NGO*
Respondent Gender	• *Female: 91* • *Male: 107*	• *Female: 5* • *Male: 9*

CHALLENGES & LIMITATIONS OF PRIMARY RESEARCH

The **CATI survey** sampling relied on the RA State Revenue Committee's taxpayer database. However, this database lacked essential records like addresses, contacts, and CCI sectors, preventing us from creating a random and representative sample. Furthermore, it failed to encompass informal workers in the CCI sectors and primarily featured contacts of accountants or business owners.

The **self-administered online survey** aimed to gather data on informal workers in the CCI sectors, but it couldn't provide a representative sample due to two primary reasons. We didn't have a comprehensive database of informal workers for sampling, and we relied on the Katapult program database, identifying only 35 informal workers out of 156 respondents, an insufficient sample size for meaningful representation. As a result, our findings cannot be generalized to the entire population of informal workers, and therefore we did not include this data in our report.

The **qualitative study**, conducted through Focus Group Discussions (FGDs) and Key Informant Interviews (KIIs), proved valuable for our needs assessment because it included all 11 CCI sub-sectors, as defined by UNESCO. FGDs, with an average duration of about two hours, allowed facilitators to gain in-depth insights on all research questions. However, some limitations existed, such as the lack of representatives from CCI sub-sectors like radio, public TV, and gaming. Regional diversity was also limited, as separate FGDs were only held in Shirak and Syunik regions, and there was a lack of geographical diversity in CCI sector FGDs.

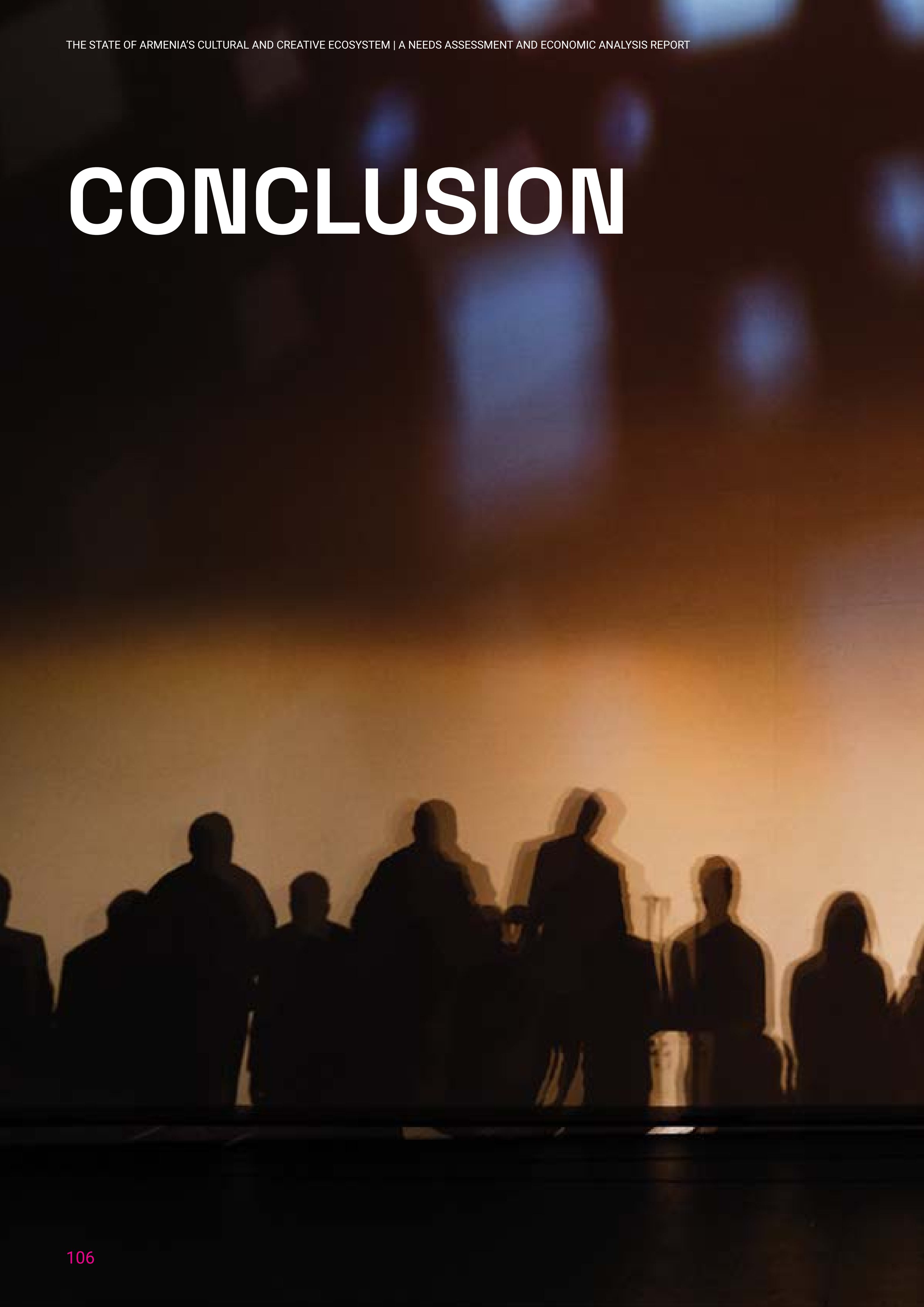
The reader of this report should take into account that this is a pilot study. Although our economic study was fueled by research conducted in 2017,[59] the primary research, mainly used in our needs assessment, was a pioneering endeavor that required innovative solutions. This included quasi proportionate-to-population sampling, as well as developing online tools suitable for CATI and self administered online surveys. Some limitations were due to the diversity of target sectors and complexity of the subject matter that required looking for global, national, and sectoral developments.

Despite limitations and challenges, the study is relevant to Katapult's proposed interventions at the CCI dimensional and country levels. The research team believes that the findings are appropriate for understanding the needs, attitudes, and perceptions regarding challenges and opportunities of the target sector.

"Yana" movie set Directed by Martin Matevosyan, 2023.
Photo by Ed Tadevossian

59 EU Eastern Partnership Programme, "The UNESCO Culture for Development Indicators: Armenia's Technical Report," 2017, **http://www.culturepartnership.eu/upload/editor/2017/Policy%20Briefs/171128%20CDIS%20Armenia%20Technical%20Report%20English.pdf**.

CONCLUSION



“Paros” Choir, 2023.
Photo by Aram Kirakosyan

From September 2022 to April 2023, the AGBU Katapult Creative Accelerator Program implemented comprehensive research on Armenia's creative economy. Several methodologies were used in order to extract qualitative and quantitative insights on the needs of representatives of the Cultural and Creative Industries, and the state of the economic landscape in which they operate. The goal of this research was to quantify Armenia's current creative economy, compare values with an earlier study, and better understand the challenges and opportunities for catalyzing economic growth.

In particular, we wanted to understand what the most significant barriers are along the creative industries' supply chain that are inhibiting sustainability. We considered that various factors like education, infrastructure, and policy, influence the sector by creating an ecosystem that either enables or inhibits economic growth. It was through this holistic lens that we examined the needs of the sector.

We found great deficiencies, as well as some opportunities, across each of these three factors. From the perspective of education, there is a need for strategic and systemic investment in higher and vocational education in order to make a long lasting impact. Key occupations are missing from the scene in the realm of cultural management, business development, marketing, cultural export, and creative ITC. However, there is an opportunity to enhance existing degree programs by establishing inter-university programs to facilitate exchange across disciplines, and leverage each university's respective strengths.

There are also key infrastructural barriers in the support sectors of Intellectual Property (IP) Rights, Logistics, and E-Commerce. Mainly, research found that Armenia's biggest challenge to IP is the lack of a mechanism for enforcing IP law, and poor knowledge of IP law both among creatives as well as among legal professionals in the courts. For online sales, new logistics solutions are needed to offer cheaper and faster shipping in order to be globally competitive in e-commerce. Furthermore, there is a need for intermediary payment solutions in order to enable international e-payments. These infrastructural challenges directly inhibit creatives from participating and monetizing from global

Artist Tigran Dzitoghtsyan's gallery opening in Jrvezh, Armenia 2021.
Photo by Ed Tadevossian

physical and virtual platforms for promoting and selling their creative products.

However, research also identified some opportunities for addressing these challenges. In particular, the cultural unions are an existing network with physical and virtual assets that could be better utilized to empower the sub-sectors of the creative industries. Professional education could be offered to constituents, particularly relating to IP awareness, digital literacy, financial literacy, and other industry-related needs not currently addressed within the education system. With investments and a strategic approach, union assets (including physical venues as well as virtual platforms) could be better leveraged to promote their constituents. Better coordination and communication between the unions and government, could offer policy makers direct insights into the needs of the creative communities, and promote a new type of citizen participation in government.

In general, an overview of national strategies to culture reveals that while relevant topics are highlighted, action plans remain theoretical; they're missing implementable and operational Key Performance Indicators, and lack monitoring and evaluation mechanisms. Accountability is further muddled by poor communication across implementing ministries, in particular the Ministry of Education Science Culture and Sport (MESCS) and the Ministry of Economy, two bodies that share responsibilities within the CCIs. These findings suggest a need for an external body, like an Arts Council, that advocates and lobbies on behalf of the CCIs, acts as a bridge across respective government bodies and cultural unions, and carries out continuous research on the sector in order to provide data-driven insights and recommendations to government.

Finally, from an economic perspective, a first glance of national statistics shows a positive picture, with growth both in terms of the sector's productivity (GDP) as well as the number of individuals it employs. **This supports the finding that the creative economy is a significant driver for economic development and employment in the country.** However, a closer look reveals that the main contributor to GDP is the Audio-Visual and Interactive Media sector, followed by those sectors connected with technological change and digitization, like design and creative services. These findings support the conclusion that **more efforts need to be made to digitize the sector, and could directly impact the GDP growth of those sectors that are currently stagnating.**

When looking at the distribution of cultural employment, findings show that non-cultural industries employ more full-time cultural workers than the creative sector. This is largely attributed to the creative sector prioritizing administrative staff as full-time employees, and hiring cultural workers on a gig basis. These findings coupled with the strong informality of the sector are creating a highly insecure employment environment for cultural workers specifically, that needs particular attention. **To this point, our recommendations are to improve the legislation and policy around independent entrepreneurs, and create mechanisms to provide social welfare support for the gig economy. We believe that the cultural unions could also be utilized in this capacity.**

Finally, a major finding that became evident when comparing both our qualitative and quantitative data is an essential need for a multi-year state fund dedicated solely to culture. A major problem highlighted across sectors was the lack of long term planning directly linked to unstable funding. Multi-year investments would support industry development of major fairs, expos, and events, and counter the tendency of “one-off” events. This is supported by our economic analysis which shows a strong need for state budgetary allocations to culture, particularly for those sectors that are dependent on public funding (Heritage sector in particular), as well as for those sectors that experienced great losses as a result of the 2020 Artsakh war and the global pandemic; primarily the Art Performances and Celebrations sector. Overall, state funds to culture have declined since 2018 (even prior to the 2020 events) and have not been enough to support sector growth for the non-commercial arts. **It is our recommendation that additional funds be allocated to culture in order to boost the recovery process. Furthermore, these funds should be allocated specifically to culture and not “culture, sport, and religion,” as is currently the case. This approach aims to improve transparency, accountability, and effectiveness of funds distribution.**

LOOKING AHEAD:

More and more in the twenty-first century, economies are relying on the creativity and ingeniousness of people. We have seen a shift from industrial economies to knowledge economies, where intellectual property rights are essential for the monetization of a product's consumption. For a small, landlocked country, with limited natural resources, it is more important than ever for Armenia to invest in the country's creative future. AGBU Katapult believes that investing in our creative talent is the best option for securing socio-economic development and asserting Armenia's place at the global table.

There are many factors that contribute to the economic success of the CCIs, and this research has cast a wide net in terms of addressing educational, promotional, infrastructural, and policy related issues. Each chapter of this report outlines a summary of conclusions along with concrete, actionable recommendations to improve the state of Armenia's Cultural and Creative Industries and their growth. AGBU Katapult's research team implores policy makers to seriously consider these recommendations, not only to improve Armenia's creative economy, but for the development and betterment of Armenia's cultural legacy and contribution to the world.

A note to future researchers on this topic:

We recommend that further research be carried out on two main topics: 1) A qualitative assessment of the state of arts management education at the university level in Armenia, and 2) A quantitative assessment of the state of cultural export in Armenia. Based on our economic analysis as well as the overall perceptions collected from the sector, it is clear that developing access to international markets, not only through tourism but also through strategic national investments in a global cultural agenda, would be of significant benefit to the country. Furthermore, coupling this with more experienced professionals in cultural management and cultural export and distribution, would create new opportunities for international market development.

APPENDIX

"KONDence" festival in Yerevan's Kond district, 2021.
Photo by Ed Tadevossian

APPENDIX 1: Chapter 5

TABLE 5.2: DISTRIBUTION OF THE VALUE ADDED OF CCI ACTIVITIES SELECTED BY THE CDIS METHODOLOGY BY DOMAINS

Domain	Codes for 2014	Codes for 2022	Activity Class	Code available in 2021	Value Added, current prices, mln AMD	
					2014	2021
A. Cultural and Natural Heritage				**Total**	**4,353.7**	**2,436.2**
A	9101	9101	Library and archives activities	910	4,353.7	2,436.2
A	9102	9102	Museums activities and operation of historical sites and buildings			
A	-	9103	Operation of historical sites and buildings and similar visitor attractions			
A	9104	9104	Botanical and zoological gardens and nature reserves activities			
B. Art Performances and Celebrations				**Total**	**11,201.0**	**2,911.7**
B	3220	3220	Manufacture of music instruments	322	-	3220
B	5920	5920	Sound recording and music publishing activities	592	119.5	5920
B	9000	-	Creative, arts and entertainment activities	900	11,065.2	-
B	-	9001	Performing arts		-	9001 9002 9004 1820
B	-	9002	Support activities to performing arts		-	
B	-	9004	Operation of arts facilities		-	
B	1820	1820	Reproduction of recorded media	182	16.3	-
C. Visual Arts and Crafts				**Total**	**321.0**	**30,376.6**
C	-	3212	Manufacture of jewelry and related articles	3212	-	29,058.1
C	-	7220	Research and experimental development on social sciences and humanities	722	-	114.3
C	7420	7420	Photographic activities	742	321.0	1,204.2
C	-	9003	Artistic creation	900	-	-
D. Books and Press				**Total**	**10,508.6**	**44,960.9**
D	5811	5811	Book publishing	581	3,287.1	2,956.0
D	5813	5813	Publishing of newspapers, journals and periodicals			
D	5819	5819	Other publishing activities			
D	1811	1811	Printing	1811	7,221.5	3,039.3
D	-	1812	Other Printing	1812	-	16,484.7
D	-	4761	Retail sale of books, newspapers and stationery in specialized stores	476	-	7,053.0
D	-	6391	News agency activities	639	-	7,114.4
D	-	6399	Other information service activities n.e.c.		-	
D	-	4649	Wholesale of other household goods (including non-specialised)	464	-	8,313.5

Domain	Codes for 2014	Codes for 2022	Activity Class	Code available in 2021	Value Added, current prices, mln AMD	
					2014	2021
E. Audio-visual and interactive media				**Total**	**125,611.4**	**181,013.2**
E	-	4742	Retail sale of telecommunications equipment in specialized stores	474	-	30,458.3
E	-	4763	Retail sale of music and video recordings in specialized stores	476	-	-
E	-	5821	Computer Games	582	-	-
E	5911	5911	Motion picture, video and television programme production activities	591	2,458.8	3,303.7
E	5912	5912	Motion picture, video and television programme post-production activities			
E	5913	5913	Motion picture video and television programme distribution activities			
E	5914	5914	Motion picture projection activities			
E	6010	6010	Radio broadcasting	6010	1,962.0	2,505.7
E	6020	6020	Television programming and broadcasting activities	6020	5,087.5	11,577.6
E	2640	2640	Manufacture of consumer electronics		-	-
E	6110	6110	Wired telecommunications activities	6110	37,518.0	39,162.2
E	6120	6120	Wireless telecommunications activities	6120	78,585.1	78,854.2
E	6130	6130	Satellite telecommunications activities	6130	-	41.5
E	-	6312	Web portals	631	-	14,812.0
E	-	7722	Renting of video tapes and disks	772	-	298.0
F. Design and creative services				**Total**	**8,893.6**	**35,870.9**
F	-	7112	Architectural and engineering activities and related technical consultancy	711	-	12,769.2
F	7310	7311	Advertising	731	7,456.3	20,882.1
F	7410	7410	Specialized design activities	741	1,437.3	2,219.6
Intangible Cultural Heritage: Transversal Domains				**Total**	**-**	**7,882.7**
	-	8552	Cultural education services	885	-	7,882.7
GRAND TOTAL					**160,889.3**	**305,452.2**

SOURCE

National accounts – National Statistical Service of the Republic of Armenia (2014 and 2022).

Sources used for identification of CCI codes and their allocation by domain:

1. *The 2009 UNESCO Framework for Cultural Statistics, pp 51-58 (**https://unesdoc.unesco.org/ark:/48223/pf0000191061**);*
2. *Guide to Eurostat culture statistics 2018 edition, Table 2, p 15-16 (**https://ec.europa.eu/eurostat/documents/3859598/9433072/KS-GQ-18-011-EN-N.pdf/72981708-edb7-4007-a298-8b5d9d5a61b5**);*
3. *ESSnet-CULTURE, European Statistical System Network on Culture, Final Report, Table 2: Cultural domains by economic activities, NACE Rev.2 (**https://elearning.unite.it/pluginfile.php/202965/mod_resource/content/1/NACE%20codes%20%28EssNet%29.pdf**)*

TABLE 5.3: COMPOSITION OF GDP BY NACE.2 CLASSIFICATION (AT CURRENT PRICES, MILLION AMD, 2012-2021)

	2012	2013	2014
Domestic product (gross, market prices)	4,266,461	4,555,638	4,828,626
Taxes on products (minus subsidies)	458,234	506,428	546,335
Gross value added (basic prices)	3,808,226	4,049,210	4,282,291
Financial Intermediate Services Indirectly Measured (FISIM)	(92,970)	(91,572)	(99,958)
A Agriculture, hunting, forestry and fishing	764,238	839,821	872,631
B Mining and quarrying	115,678	102,687	102,553
C Manufacturing	402,104	441,103	466,755
D Electricity, gas, steam and air conditioning supply	154,646	183,232	188,032
E Water supply, sewerage, waste management and remediation activities	13,721	13,182	14,107
F Construction	501,083	476,564	448,773
G Wholesale and retail trade; repair of motor vehicles, motorcycles	514,924	548,613	570,369
H Transportations and warehouse economy	130,857	120,136	144,518
I Accommodation and food service activities	36,094	44,336	55,106
J Information and communication	145,967	150,997	162,218
K Financial and insurance activities	170,434	182,900	206,610
L Real estate activities	349,914	370,967	403,715
M Professional, scientific and technical activities	41,311	45,910	53,551
N Administrative and support service activities	41,508	38,423	41,225
O Public administration	158,169	183,799	207,903
P Education	125,835	129,880	136,841
Q Human health and social work activities	149,036	174,766	185,900
R Arts, entertainment and recreation*	55,470	61,190	89,032
S Other service activities**	28,575	29,288	29,584
T Activities of private households as employers and undifferentiated production and services activities for own consumption	1,635	2,988	2,827

Data for 2022 are preliminary.

2015	2016	2017	2018	2019	2020	2021
5,043,633	5,067,294	5,564,493	6,017,035	6,543,322	6,181,903	6,982,963
535,801	508,804	572,075	639,225	745,309	673,952	767,286
4,507,832	4,558,490	4,992,418	5,377,810	5,798,013	5,507,951	6,215,676
(89,162)	(97,244)	(102,935)	(116,656)	(121,757)	(142,821)	(123,082)
868,671	830,553	834,355	838,914	754,158	701,634	791,692
107,718	130,835	185,510	169,795	212,868	239,210	386,756
464,326	521,153	591,568	678,235	766,321	763,150	796,350
231,279	227,108	226,849	212,446	205,511	202,365	194,687
19,224	23,796	27,839	31,779	33,828	26,027	27,744
474,107	393,176	404,403	397,355	415,445	427,067	454,823
551,485	499,044	614,987	692,654	762,888	669,965	785,205
125,912	143,496	169,358	192,123	208,051	147,721	193,828
60,263	62,416	78,160	97,264	123,527	69,333	120,879
170,901	179,239	185,608	193,575	218,430	235,247	266,544
196,290	221,917	272,756	330,363	395,158	430,476	416,003
437,501	434,592	436,486	459,861	511,656	429,054	517,633
58,260	60,943	60,540	69,234	77,818	66,216	76,280
41,775	44,739	50,413	54,502	61,238	37,760	45,725
244,554	250,607	262,763	265,194	294,714	346,828	345,422
148,448	153,593	151,118	155,342	164,240	173,965	188,331
198,219	206,540	231,319	260,804	301,324	333,840	470,476
163,269	232,761	256,257	335,684	363,340	304,970	213,674
31,872	36,358	52,180	56,394	46,274	43,201	43,963
2,923	2,870	2,886	2,948	2,984	2,745	2,744

SOURCE

Socio-Economic Situation of RA, January-December 2022.

Data source for 2012-2021: Armstat Databank – National Accounts - GD

TABLE 5.4 PLANNED EXPENSES OF THE RA STATE BUDGET FOR SELECTED CULTURAL PROGRAMS TO BE IMPLEMENTED BY STATE BODIES IN 2019-2022

Program code	Program Title/name	Amount (thousand AMD)				2022 vs. 2019, change, %
		2019	2020	2021	2022	
Total public expenses		**1,648,063,122**	**1,855,697,119**	**1,850,877,541**	**2,184,040,185**	**32.5**
1007	Regulation of Audiovisual Media (Television and Radio) Industry	315,929	313,966	330,381	337,387	6.8
1042	Broadcasting of radio and television programs	7,425,764	7,520,043	7,051,204	7,634,743	2.8
1056	Cinematography program	815,222	842,017	714,060	483,341	-40.7
1075	Cultural heritage program	3,087,738	2,944,179	2,982,531	3,068,477	-0.6
1124	Publishing and Libraries Program	1,740,277	1,774,435	1,691,086	1,711,438	-1.7
1147	National Archives Program	591,622	596,130	590,177	590,177	-0.2
1168	Arts program	8,116,482	9,073,746	8,738,055	10,302,813	26.9
1186	Preservation and display of natural specimens	350,738	353,377	344,867	344,867	-1.7
1191	Consulting, professional support and research	815,631	321,262	271,262	291,262	-64.3
1196	Regional cultural development program	270,771	95,763	79,941	79,941	-70.5
1198	Program of cultural and aesthetic education	666,372	666,372	608,067	310,754	-53.4
1164	Provision of telecommunications	412,232	429,704	434,042	2,461,927	497.2
	Total for selected programs	**24,608,779**	**24,930,993**	**23,835,672**	**27,617,125**	**12.2**
CCI related, enabling programs						
1130	Development of state policy, coordination and monitoring of programs in the field of education, science, culture and sports	887,719	1,857,385	1,741,508	1,792,921	102.0
1215	Development of international and diaspora cooperation in the fields of education, culture and sports	-	466,197	1,085,047	961,940	NA
1227	Implementation of information and communication technologies in the field of education	-	-	424,115	784,115	NA
1162	Scientific and technical research program	14,350,864	14,255,303	13,755,274	25,150,175	75.3
1111	Higher and post-graduate professional education program	10,351,017	12,627,116	11,861,892	14,593,059	41.0
1043	High-Tech Industry Ecosystem, Digitalization and Market Development Program	1,507,948	3,009,736	2,989,736	8,340,021	453.1
Other programs for comparison						
1022	Agricultural promotion program	6,104,735	4,049,939	6,625,803	12,916,089	111.6
1187	Agricultural modernization program	2,306,945	4,506,884	2,603,248	6,093,544	164.1

*Data sources: Webpage of the RA National Assembly Annexes to the laws of the State Budget for 2019-2022, Annex 1 Table 1 (2019: **http://parliament.am/law_docs6/261118HO421_havelvacner.rar**; 2020: **http://parliament.am/law_docs_7/191219HO277_havelvatsner.rar**; 2021-**http://parliament.am/law_docs_7/231220HO489_havelvatsner**; 2022: **http://parliament.am/law_docs_8/221221HO391_havelvats***

TABLE 5.5: SHARE OF THE VALUE ADDED BY CENTRAL CULTURAL ACTIVITIES AND EQUIPMENT AND SUPPORT MATERIALS TO NATIONAL GDP

	Value Added, (Mln AMD)		Share of total GDP, %	
	2014	2021	2014	2021
Central Cultural Activities (Direct revenue)	37,548.4	122,600.0	0.78	1.76
Equipment and Support Materials (Indirect revenue)	123,340.9	182,852.2	2.55	2.62
TOTAL REVENUE	**160,889.3**	**305,452.2**	**3.33**	**4.37**

APPENDIX 2:
Chapter 6

TABLE 6.4: CULTURAL OCCUPATIONS IN THE CULTURAL AND NON-CULTURAL INDUSTRIES, 2021

ISCO-88 code	Description	Cultural industries (A)	Non-cultural Industries (B)	Total (A+B)
5122	Cooks	-	16,110	16,110
2310	College, university and higher education teaching professionals	806	10,573	11,379
7433	Tailors, dressmakers and hatters	301	6,525	6,826
7437	Upholsterers and related workers	-	4,260	4,260
7442	Shoe-makers and related workers	-	3,243	3,243
3471	Decorators and commercial designers	1,481	1,457	2,938
7436	Sewers, embroiderers and related workers	78	2,855	2,933
3131	Photographers and image and sound recording equipment operators	2,037	236	2,273
2451	Authors, journalists and other writers	1,595	470	2,065
2432	Librarians and related information professionals	961	1,093	2,054
2141	Architects, town and traffic planners	882	1,032	1,914
2454	Choreographers and dancers	859	764	1,623
3473	Street, night-club and related musicians, singers and dancers	1,142	398	1,540
2444	Philologists, translators and interpreters	-	1,488	1,488
2431	Archivists and curators	227	1,122	1,349
1130	Traditional chiefs and heads of villages	-	1,290	1,290
7313	Jewelry and precious-metal workers	596	443	1,039
2453	Composers, musicians and singers	431	474	905
3472	Radio, television, and other announcers	-	671	671
7321	Abrasive wheel formers, potters and related workers	-	623	623
2452	Sculptors, painters and related artists	287	283	570
7322	Glass makers, cutters, grinders and finishers	-	424	424
7331	Handicraft workers in wood and related materials	-	397	397
7424	Basketry weavers, brush makers and related workers	42	270	312
7435	Textile, leather and related pattern-makers and cutters	-	296	296
7422	Cabinet makers and related workers	-	190	190
7431	Fibre preparers	-	125	125
2455	Film, stage and related actors & directors	121	-	121
2442	Sociologists, anthropologists and related professionals	-	110	110
7324	Glass, ceramics and related decorative painters	-	71	71
3118	Draughtspersons	-	53	53
2148	Cartographers and surveyors	-	37	37
7432	Weavers, knitters and related workers	-	18	18
	TOTAL	**11,846**	**57,401**	**69,247**

SOURCE
Armstat, 2021 Labour Force Survey

TABLE 6.5: PRIMARY JOBS* IN CULTURAL INDUSTRIES BY GROUP OF ACTIVITIES AND BY SEX, 2021, PERSONS

NACE rev. 2 codes	Title	Total		By gender	
		Number	Share (%)	Male	Female
1811	Printing	838	1.6	592	246
1812	Other Printing	1,643	3.1	1,192	451
2640	Manufacture of consumer electronics	384	0.7	-	384
3212	Manufacture of jewelry and related articles	1,337	2.5	1,337	-
3220	Manufacture of music instruments	23	0.0	-	23
4649	Wholesale of other household goods	1,490	2.8	283	1,207
4742	Retail trade of telecommunications equipment in specialized stores	1,126	2.1	544	582
4761	Retail sale of books, newspapers and stationery in specialized stores	1,779	3.3	757	1,022
5811	Book publishing	433	0.8	433	-
5813	Publishing of newspapers, journals and periodicals	921	1.7	138	783
6010	Radio broadcasting	215	0.4	215	-
6020	Television programming and broadcasting activities	3,581	6.7	3,101	480
6110	Wired telecommunications activities	6,082	11.4	4,357	1,725
6120	Wireless telecommunications activities	1,689	3.2	1,164	525
6391	News agency activities	446	0.8	159	287
6399	Other information service activities n.e.c.	1,560	2.9	-	1,560
7111	Activities in the field of architecture	2,121	4.0	893	1,228
7112	Architectural and engineering activities and related technical consultancy	2,211	4.2	2,010	201
7220	Research and experimental development on social sciences and humanities	1,141	2.1	800	341
7311	Advertising	1,206	2.3	281	925
7410	Specialized design activities	532	1.0	-	532
7420	Photographic activities	1,143	2.2	820	323
8552	Cultural education services	6,972	13.1	2,091	4,881
9001	Performing arts	3,003	5.6	1,511	1,492
9002	Support activities to performing arts	63	0.1	63	-
9003	Creative activity	1,308	2.5	663	645
9004	Operation of arts facilities	2,636	5.0	840	1,796
9101	Library and archives activities	4,167	7.8	484	3,683
9102	Museums activities and operation of historical sites and buildings	2,788	5.2	577	2,211
9103	Operation of historical sites and buildings and similar visitor attractions	319	0.6	237	82
Total employment in cultural establishments		**53,157**	**100.0**	**25,542**	**27,615**

Data source: Labour Force Survey –Statistical Committee of the Republic of Armenia (2021)

** A primary job is a job that a person considers as the main source of income and employment (taking the most time)*

FIGURE 6.5. COMPOSITION OF EMPLOYMENT IN CULTURAL AND NON-CULTURAL ESTABLISHMENTS AND IN CULTURAL AND NON-CULTURAL OCCUPATIONS BY SEX, 2015 AND 2021 (PERSONS)

TABLE 6.6: EMPLOYMENT IN CULTURAL INDUSTRIES BY TYPE OF INDUSTRY AND BY SEX, 2021

	Total employed in Cultural Industries, pers.		of which:			
			In Central Cultural industries		In Equipment and Support industries	
	2021	2015	2021	2015	2021	2015
Male	25,542	15,354	17,693	10,031	7,849	5,323
Female	27,617	12,711	23,704	10,458	3,913	2,253
Total	**53,159**	**28,065**	**41,397**	**20,489**	**11,762**	**7,576**
Distribution by gender, % of total						
Male	48.0	54.7	42.7	49.0	66.7	70.3
Female	52.0	45.3	57.3	51.0	33.3	29.7
Change, 2021 compared to 2015, %						
Male	66.4	-	76.4	-	47.5	-
Female	117.3	-	126.7	-	73.7	-
Total	**89.4**		**102.0**		**55.3**	

SOURCE

Labour Force Survey –Statistical Committee of the Republic of Armenia (2021)

(A+B) TABLE 6.7: DISTRIBUTION OF CULTURAL OCCUPATIONS BY OCCUPATION CLASS AND GENDER, 2021

ISCO-88 codes	Cultural Occupation	Total *	of which:	
			Male	Female
1130	Traditional chiefs and heads of village	1,290	1,160	130
2141	Architects, town and traffic planners	1,914	1,767	147
2148	Cartographers and surveyors	37	37	-
2310	College, university and higher education teaching professionals	11,379	2,843	8,536
2431	Archivists and curators	1,349	154	1,195
2432	Librarians and related information professionals	2,054	307	1,747
2442	Sociologists, anthropologists and related professionals	110	110	-
2444	Philologists, translators and interpreters	1,488	46	1,442
2451	Authors, journalists and other writers	2,065	372	1,693
2452	Sculptors, painters and related artists	570	287	283
2453	Composers, musicians and singers	904	392	512
2454	Choreographers and dancers	1,623	-	1,623
2455	Film, stage and related actors and directors	121	-	121
3118	Draughts persons	53	53	-
3131	Photographers and image and sound recording equipment operators	2,273	2,115	158
3471	Decorators and commercial designers	2,938	475	2,463
3472	Radio, television and other announcers	671	382	289
3473	Street, night-club and related musicians, singers and dancers	1,540	1,115	425
5122	Chefs	16,110	7,457	8,653
7313	Jewelry and precious-metal workers	1,039	1,039	-
7321	Abrasive wheel formers, potters and related workers	623	623	-
7322	Glass-makers, cutters, grinders and finishers	424	424	-
7324	Glass engravers and etchers	113	113	-
7331	Glass, ceramics and related decorative painters	397	397	-
7422	Cabinet-makers and related workers	190	190	-
7424	Basketry weavers, brush makers and related workers	270	270	-
7431	Fibre preparers	125	125	-
7432	Weavers, knitters and related workers	18	18	-
7433	Tailors, dressmakers and hatters	6,826	609	6,217
7435	Textile, leather and related pattern-makers and cutters	296	296	-
7436	Sewers, embroiderers and related workers	2,932	659	2,273
7437	Upholsterers and related workers	4,259	4,189	70
7442	Shoe-makers and related workers	3,243	2,924	319
Total Employed in Cultural Occupations		**69,244**	**30,948**	**38,296**
Distribution by Gender, %		**100.0**	**44.7**	**55.3**

SOURCE
Armstat, 2021 Labour Force Survey

** Including employed in non-resident economic units*

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