

Summary of the evaluation of the Creative Export Strategy (2018-19 to 2020-21)

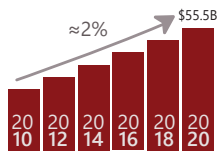
Overview

The Creative Export Strategy (CES) is composed of three pillars. The evaluation focused on the **third pillar**, the Creative Export Fund (CEF), which includes the Creative Export Canada (CEC) program and International Trade Operations (ITO) activities.

Evaluation findings

Relevance

The ongoing need for exports is critical to the continued growth of the creative sector.



Between 2010 and 2020, the Canadian culture sector grew at an average annual rate of about 2%. By 2020, it had generated **\$55.5 billion** in direct gross domestic product (GDP), **2.7% of Canada's total GDP**.



With a small domestic market, the Canadian creative sector **must export to grow**.

The sector needs government support to expand export activities due to:

- Lack of financial and human capacity to develop and implement export marketing strategies.
- Complexities in accessing international marketplaces.
- The credibility of federal support to Canadian businesses in international and national markets.

The demand for the CEF activities outweighs available supports.

CEC Program

435

applications received

48

projects funded (11%)

Trade Missions (TM)

458

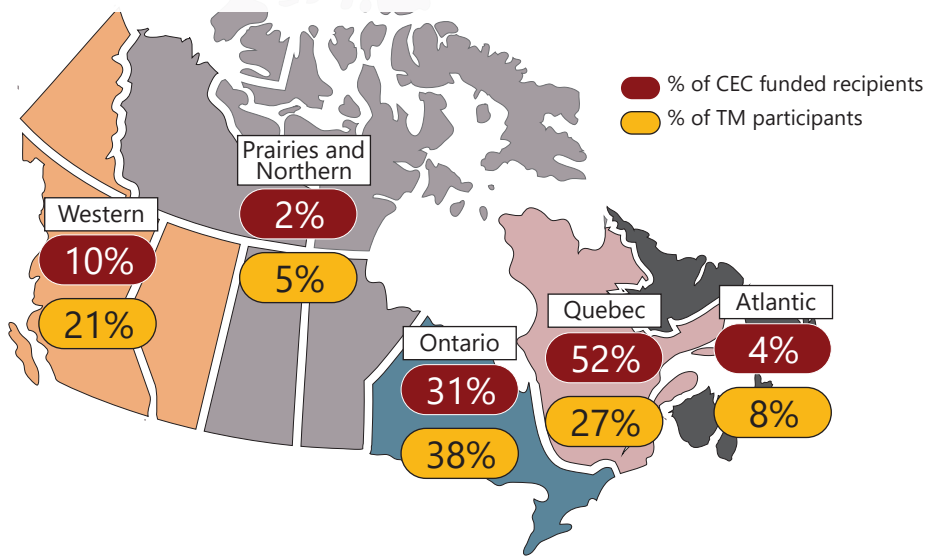
applications received

148

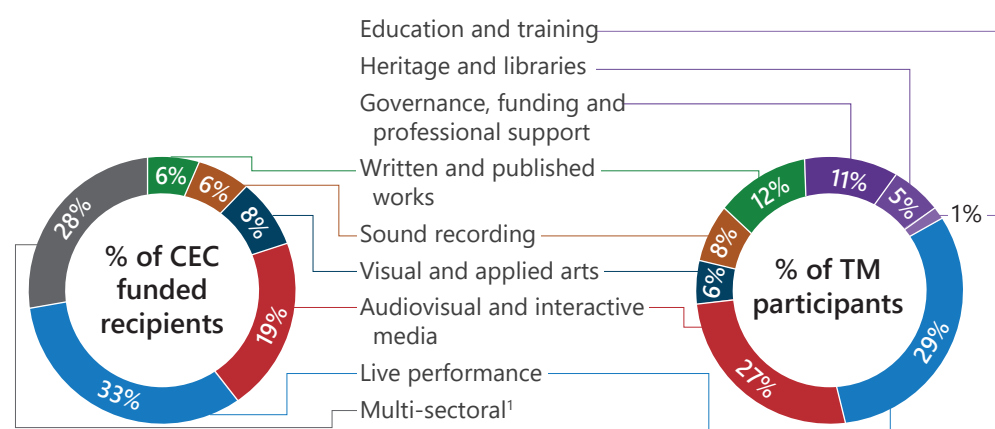
Canadian companies participated (32%)

The CEF support is distributed among regions, creative sectors and organization types.

Distribution of CEC funded applicants and TM participants by region



Distribution of CEC funded applicants and TM participants by creative sector



¹CEC multi-sectoral projects were comprised of the Audiovisual/interactive media sector, the Live performance sector, among others.

The COVID-19 pandemic had a negative impact on the creative sector and stakeholders, although there have been a few notable exceptions.

Impact on creative industries and stakeholders



Organizations in the live performance sector were severely impacted by cancellations of in-person and international tours/events, causing revenue decline. This resulted in a shift to digital delivery and adjustment to revenue models, particularly for venue and performance-based sectors, while the audiovisual and interactive media sector benefited from virtual entertainment.



The majority of CEC projects and TM participants reported issues from delays, interruptions and reductions to project changes, and cancellations of agreements or partnerships.

The CEF was able to adapt to meet the new and changing needs of the pandemic.

CEC Program

60%

re-submitted

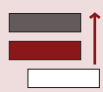
For the FY 2020-21 intake, CEC applicants were able to **adapt their applications** due to COVID-19 developments; **60% re-submitted** their applications.

ITO's activities



TM and seminars shifted to **virtual delivery**

Nearly all (**98%**) post-participation survey respondents that attended a virtual TM felt that virtual TM delivery was a **valuable alternative to in-person**.



The CEF aligns with federal and departmental priorities, particularly the promotion of international trade and of the creative sector.



While the CEF considers government commitments on equity, diversity, inclusion and accessibility, there are opportunities to improve data collection on these equity communities to better support decision-making and reporting.



The CEF complements other government programs offered by the provinces/territories and municipalities. While these programs address similar concerns, efforts have been made to avoid duplication and to ensure that CEC and ITO activities each meet distinct needs.

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Effectiveness

The CEF is on track to achieve its two intended short-term outcomes.

CEC Program

\$22.2 million increased creative export activities by providing **\$22.2 million** to **48 for-profit and non-profit organizations** to undertake export projects.

ITO's activities



increased international promotion of the sector through a variety of activities organized in collaboration with or by ITO, including: **4 TMs, 3 exploratory TMs, 36 amplification events, 9 export seminars** and the establishment of **1 formal partnership**.

The CEF has made considerable progress in achieving its three intended medium-term outcomes. Opportunities exist to further increase exports of the creative sector.

CEC Program

\$83 million Export revenues generated by CEC projects were higher than targeted at over **\$83 million**.



However, most of these export revenues were from only three projects and the cost-benefit ratio is less than 1 for two thirds of the CEC funded projects. This suggests opportunities to better align the funding decision process with CES objectives and priorities to further increase export revenues.

ITO's activities

88 potential deals The four ITO TMs undertaken during this period contributed to **88 potential business deals/commercial agreements**.

54 potential or signed deals There were **54 commercial agreements signed or in advanced negotiations** from a sample of 7 amplification events.

Canada's creative sector enjoys strong global recognition. Canada ranked in **5th position for the GFK Nation Branding (now called Anholt-Ipsos Nation Brands Index) Exports Index** in 2021 - the same ranking achieved in 2018.



For the **GFK Nation Branding Cultural Index, Canada was ranked in 10th position in 2021**, which is higher than the 12th position ranking in 2018.

Efficiency

Overall, the CEF was in part delivered efficiently with opportunities for improvement.

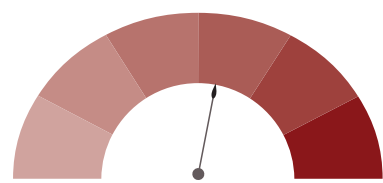


Efficiency was supported through **strong partnerships, communication and coordination**.



While CEF was delivered efficiently overall, there were **challenges with the CEC funding decision-making process**. The PCH service standard of 26 weeks was achieved only 34% of the time, and there was a lack of clarity on funding priorities and eligibility criteria.

The performance measurement information is useful for decision-making, but some gaps exist such as:



- **short timelines for data collection** which do not allow the achievement of all immediate and medium-term outcomes, especially since export revenues take longer to achieve;
- **performance data which is not consistently collected, compiled, and reported** including data related to equity communities; and
- **definitions and limitations in the measures which are not always clear to stakeholders.**

Recommendations

The evaluation recommends that the Senior Assistant Deputy Minister, Cultural Affairs:

1

Review and update the CEF logic model and performance measurement indicators to:

- support consistent data collecting and reporting;
- better capture intermediate and long-term economic impacts; and
- improve data collection and reporting on equity communities.

2

Implement measures to streamline and enhance the CEC funding decision process.