



Mzansi's Golden Economy

Contribution of the Arts, Culture and Heritage Sector to the New Growth Path

“The new vision of arts and culture goes beyond social cohesion and nourishing the soul of the nation. We believe that arts, culture and heritage play a pivotal role in the economic empowerment and skills development of a people”

Minister Mashatile

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**OPTIMISING THE CONTRIBUTION OF THE ARTS, CULTURE AND HERITAGE
SECTOR TO GOVERNMENT PRIORITIES AND SPECIFICALLY
THE NEW GROWTH PATH**

CONFERENCE DISCUSSION DOCUMENT

1. Background

Voluminous research, policy documents, strategies and plans have been developed for the Department of Arts and Culture (DAC) since 1994. There are important recommendations flowing from this work that require updating, decision and implementation, in particular the recommendations contained in the 2007 Legislative Review and the 2009 Policy Review. The DAC will ensure that this is done and in future that there will be a continuous process of review of policy, to inform legislative reform where applicable, based on analysis and learning from the successes and failures of implementation.

It is the contention of the DAC that the arts, culture and heritage sector is of both tangible and immeasurable intangible value. Government, together with civil society, has a responsibility to conserve and protect our culture and heritage for current and future generations. Government, together with civil society, also has a responsibility to transmit and present our culture and heritage for social and economic development. **These two responsibilities are inextricably linked. Our culture and heritage are key to nation building and social cohesion, and these are the ingredients for creating a climate of social stability and economic growth.**

Previous work done to assess the sector, together with consultation with key role players, has been used to generate a high level problem statement, develop a strategy and make specific proposals, including new large scale interventions to reposition the DAC and optimise its contribution to the new growth path. The proposed strategy recognises that the arts, culture and heritage sector is innovative and creative and that the role of government is to create the enabling environment and support the sector to perform optimally. The strategy, which focuses on the creative and cultural industries, will be complemented by work underway in preparation for a summit on social cohesion and specific work to address the protection, development and presentation of our heritage attributes. It is also proposed that a separate summit of government, business and labour be convened to develop a charter for the sector.

2. The New Growth Path

Government has made a commitment in the New Growth Path, which envisages the creation of 5 million jobs over the next ten years, to:

- i) Identifying areas where employment creation is possible on a large scale as a result of substantial changes in conditions in South Africa and globally.

- ii) Developing a policy package to facilitate employment creation in these areas, above all through:
- A comprehensive drive to enhance both social equity and competitiveness
 - Systemic changes to mobilise domestic investment around activities that can create sustainable employment
 - Strong social dialogue to focus all stakeholders on encouraging growth in employment-creating activities

Tourism and other high level services are identified as a priority area to create jobs, through a series of partnerships between the state and the private sector. The cultural and creative industries will contribute to the creation of jobs in this priority area.

The strategy and proposed interventions of the Department of Arts and Culture to develop the creative and cultural industries focus on:

- i) General continuity and introduction of new initiatives, as far as possible recognising, building on, expanding and scaling-up significantly existing initiatives
- ii) Identification and development of talent through ensuring appropriate skills development to develop excellence in the arts, culture and heritage sector
- iii) Facilitating expansion and growth of existing initiatives in the culture and creative industries to create large scale and high impact programmes, maximizing the growth and employment potential of the sector
- iv) Expansion and co-ordination of supply and demand in the sector
- v) Enhancement of existing production and creation of new business opportunities to match demand
- vi) Monitoring and evaluation to guide investment and co-ordination of current and future resources for the sector

3. Industrial Policy Action Plan

The 2010/11 – 2012/13 Industrial Policy Action Plan (IPAP 2) was launched in February 2010. IPAP 2 2011/12 – 2013/14, released in February 2011 is the next version of the plan which is an integral component of the New Growth Path.

The plan identifies opportunities and constraints in different sectors and sets out key action plans for each identified sector. The sectors identified in IPAP 2 relevant to the creative and cultural industries are craft,

The opportunities and constraints and the key action programmes for these sectors are set out in IPAP 2 as follows:

3.1 Craft sector

Key opportunities

The global market for craft is significant and growing. The National Craft Sector Development Programme (NCSDP) seeks to address the needs of craft enterprises and craft

entrepreneurs. The NCSDP is centred on both immediate and long term policy interventions. These interventions will allow the craft sector to reach its full potential by addressing market access challenges facing the sector. These challenges include competition from imported goods as well as address production and quality standards to maximise the sector's competitiveness.

As a result of the unique South African design signature, South African products are highly valued in the global market. To increase this market confidence **the dti** developed the South African Handmade Collection brand (SAHC) to offer quality assurance and develop standards for the sector. Since 2007, when the brand was unveiled there has been an influx of South African craft into the European Union (EU), the USA, Canada and Australasia.

Key Action Programmes

i) National Craft Sector Development Programme

Nature of the intervention: This intervention envisages development of a craft support programme. A number of areas have been identified as being critical to the economic development of a sustainable craft sector and its transformation from a supply-driven into a demand-led sector. These are support for crafter in the following areas: product design and innovation, pricing, quality assurance and market access.

Economic rationale: The programme will ensure a multi-dimensional enabling environment through which regional economic activity can be supported to access local, national and international markets. The ultimate aim is to build the commercial sustainability of the sector.

Outcomes: This programme will facilitate access to local and global markets, improve the competitiveness of companies and contribute to advancing sustainable job growth.

Key Milestones

- 2011/12 Q2: Roll out of the craft sector support programme.
- 2011/12 Q3: Designation of corporate gifts in terms of PPPFA.
- 2011/12 Q1-Q4: Rollout of the South African Handmade collection.

ii) Craft Enterprises Support Fund

Nature of the intervention: Bridging finance to assist craft businesses to meet the challenge of access to raw materials.

Economic rationale: Access to raw materials is one of the market barriers facing the sector. Bridge finance will remove a significant barrier for SMEs and support SME development and job creation.

Outcomes: establishment of a Craft Enterprise Support Fund.

Key milestones

- 2011/12 Q1: Finalise proposal for establishment of fund.
- 2011/12 Q1: Stakeholder engagement on the proposed fund.
- 2011/12 Q2: Finalisation of fund management process.
- 2011/12 Q4: Roll out of the fund.

3.2 Music sector**Key opportunities**

The South African music industry is a hive of innovation and creative talent, populated by hundreds of small and medium-sized entrepreneurs who give the South Africa a unique cutting edge on a global stage. This aggregate growth of the music industry coupled with the increased popularity and exposure of local genres and the variety of initiatives underway to bolster the local music industry and to provide the foundations for potential future growth.

First music is a form of electronic information and is consequently easily distributed to the world market. Thus music is an ideal export product that is not constrained by the high transport costs associated with the export of physical products.

Second, a substantial proportion of the music industry's revenue is derived from intellectual property rights. Accordingly there are few South African industries better placed to take advantage of the global shifts towards knowledge-based, export-oriented growth and that draws on local competencies as a source of competitive advantage, than the music industry.

New digital and information and communication technologies (ICTs) have revolutionised the industry's production processes, distribution channels, and consumption modes. Low-cost digital recording technologies have not only made production cheaper but also facilitated the distribution of sound, text, and image to small entrepreneurs without any noticeable compromise in quality.

Mass production technologies have been replaced by niche production and mass customisation of ring tones, movies-on-demand, interactive media, and social networking sites like MySpace and YouTube. The diffusion of production makes the production stage of the value chain the most competitive, and margins have fallen as a result.

Lastly, the convergence of the telecommunications, the Internet, and cultural content has revolutionised product sales and marketing, and changed the nature of piracy and royalties collections. It has also upset the balance between independent companies and the major content distribution and marketing companies, thus giving the consumer greater choice. But these gains depend on wider access to Internet services and the expansion of interoperability between content providers, digital distribution channels, and consumption devices such as mobile phones, smart-phones and iPods.

Key Action Programmes

i) Develop a music industry strategy

Nature of the intervention: Development of a strategy for the music industry.

Economic rationale: Music is an important cultural heritage that has untapped potential for economic development both in its own right and in terms of strengthening economic activity in other sectors such as Tourism.

Outcome: A Music sector strategy in support of the industry with key action plans

Key milestones

- 2011/12 Q3: **the dti** to work with DAC and the IDC to finalise a Music Industry Strategy and action plan.

3.3 Downstream Minerals Beneficiation

Key Action Programmes

i) Gold loan scheme to promote jewellery production

Nature of the intervention: A financing mechanism to enable jewellers to acquire gold from the lending institution(s) at a competitive interest rate and stable prices.

Economic rationale: The cost of holding expensive precious metals/minerals such as gold is a major deterrent to the development of the jewellery sector.

Outcomes: Increased investments in gold manufacturing activities, increased number of Small and Medium-sized Enterprises (SMEs), increased foreign exchange through increased exports, and increased employment.

Key milestones

- 2011/12 Q1: finalise the guidelines for the forward buying scheme (for SMEs) and the administrative function with Khula and launch the programme.
- 2011/12 Q2: finalise the guidelines for the pipeline financing scheme (for large companies) and the administrative function with IDC.
- 2011/12 Q3: launch the pipeline financing programme.
- 2011/12 Q4 2013/14: roll-out the two schemes to industry.

3.4 Clothing, textiles, footwear and leather

Key opportunities

The key opportunity is to recapture domestic market share by improving competitiveness through a range of interventions. These include a focus on product, process and delivery efficiencies and harnessing proximity to local retailers. Ongoing clampdowns on under invoicing and other illegal activities will help to level the playing field. The industry needs to seize the opportunity of a coherent and comprehensive set of support instruments in order to fundamentally transform its competitiveness. Going forward, the commercialisation of new technologies should give the textile industry an added advantage in the global arena. This will include the beneficiation of new fibres now being grown in South Africa. Traditionally, only cotton and wool were grown for export in the semi-processed form.

Key Action Programmes

i) Clothing, Textiles, Footwear and Leather Competitiveness Programme

Nature of the intervention: The programme will enable the sector to compete sustainably and effectively against international competitors in both the domestic and the export markets. In addition, company-level competitiveness will be improved substantially.

Economic rationale: The sector lags behind its international competitors in terms of conversion efficiencies and other key indicators of world-class manufacturing principles; of which quality, cost and delivery are the main drivers.

Outcomes: Stability and competitiveness of the sector. The CTCP will be extended to the leather and leather goods, and the footwear industries. The production incentive will be finalised and implemented.

Key milestones

- 2011/12 Q1: New guidelines for the PI and CTCP.
- 2011/12 Q2: Dedicated website for the PI and CTCP to go live
- 2011/12 Q3: Testing of the monitoring and evaluation system for the PI and CTCP
- 2011/12 Q4: Revision of Guidelines and Programmes

ii) Skills development

Nature of the intervention: The programme is involved with the upgrading of skills in the sector. The programme will facilitate the finalisation of funding arrangements with the National Skills Fund (NSF). The skills strategy will be rolled out through the Textiles and Clothing Centre of Excellence established at the CSIR in Port Elizabeth. This will speed up the implementation of programmes instead of establishing another implementing organisation.

Economic rationale: A lack of succession plans in the sector has resulted in very few young graduates joining the industry. Most of the leaders of the industry are beyond retirement age, but there are no skilled personnel to take over. Most of the training that has taken place in the sector has been at the operator level.

Outcomes: The programme outcomes will include the graduation of technicians, technologists, engineers, managers and scientists for the textiles, clothing, leather and footwear industries.

Key milestones

- 2011/12 Q1 onwards: Roll-out of skills development programme by NSF and Clothing, Textiles, Footwear and Leather (CTFL) SETA.
- 2011/12 Q2: A revised curriculum for the garment manufacturing industry will be developed in collaboration with the DoHE&T and the transfer of the programme to the appropriate institutional and funding arrangement.

4. Consultation

Consultation with key role players took place during January, February and March 2011. The time available made it impossible to consult all stakeholders and, accordingly, special attention was given to allowing registration for the consultative conference of delegates who have not yet had the opportunity to participate in the consultation process.

Key role players consulted include:

- i) DAC agencies
 - The National Arts Council
 - The National Film and Video Foundation
 - The National Heritage Council
 - The South African Heritage Resources Agency
 - The State Theatre
 - Artscape
 - Playhouse
 - Iziko Museums
 - Ditsong Museums
 - Business and Arts South Africa
- ii) Provincial Departments responsible for Arts and Culture together with key stakeholders in the Province
- iii) National Departments
 - Basic Education
 - Economic Development
 - Environment
 - Government Communication and Information Service
 - Labour
 - Mineral Resources
 - Science and Technology
 - Trade and Industry

- iv) National Agencies
 - Council for Geoscience
 - Human Sciences Research Council
 - International Marketing Council
 - MINTEK
 - SATourism
 - SANParks
 - National Research Foundation
 - National Advisory Committee on Innovation
- v) COSATU – the Creative Workers’ Union

5. Problem statement

The research documents and consultation process identify areas of concern and challenge that prevent the arts, culture and heritage sector from performing optimally. A high level summary of these issues is captured in this section.

5.1 Public perceptions

The overwhelming view of role players consulted was that the arts, culture and heritage sector has low visibility and is perceived to be a “nice to have” in relation to the challenges of meeting basic needs. The view articulated repeatedly was that the implicit and explicit message from government is that mathematics and science matter most. Career options in science, technology, engineering and advanced manufacturing are the most promoted. It was argued that the humanities and the arts are alternative and not inferior career choices and that they are equally important for both social and economic development.

Submissions from almost all role players were that arts, culture and heritage are not receiving appropriate attention in the education system. Three main reasons were given for the importance of arts, culture and heritage in education:

- Firstly, talent should be noticed and nurtured from the youngest possible age with the prospect of development of careers and excellence in the sector
- Secondly, arts, culture and heritage, as areas of knowledge and intellectual development, are important building blocks for nation building and social cohesion which create conducive conditions for economic growth.
- Thirdly, exposure to and appreciation of all aspects of the sector at a young age are critical for audience development and consumption in the sector

5.2 Stakeholder relations

Whilst there is acknowledgement of achievements, the sentiment of role players is that government tends to be prescriptive, regulatory and controlling resulting in alienation of practitioners in the sector. Stakeholders are of the view that historically DAC has not supported existing initiatives with a view to enhancing, elevating and scaling up these initiatives and that this has resulted in failure and frustration of potentially good initiatives. Practitioners in the sector contest that an enabling environment encouraging innovation and creativity would allow the sector to perform better.

5.3 Research

Whilst much research has been done by DAC Agencies, Provinces and other role-players, this research has not necessarily resulted in development of a response to the findings of the research or implementation of specific recommendations emanating from the research. There is also much duplication and in some instances research with similar scope and over similar periods has generated contradictory findings.

In addition, different methodologies and models have been used for research and this has made it difficult to assess trends in qualitative research and analyse time series data in quantitative research. The effect of this is that policy choices and decision making on the allocation of resources (human, financial and other), to enhance the performance of the sector, is not informed by rigorous evidence based research.

The ad-hoc approach to research also means that it is not possible to use global comparators to measure the performance of South Africa and explore the causalities of differences in performance with a view to aspiring to excellence in areas of success in other countries.

5.4 Institutional arrangements

The strategic objectives of DAC, as set out in its Strategic Plan for 2011 – 2016, include

- Promotion of the performing arts
- Promotion of official languages in South Africa and enhancing the linguistic diversity of the country
- Promotion and development of South African arts and culture national and internationally
- Heritage promotion
- National archives and library services

DAC also has twenty-nine institutions whose mandate is derived government policy and specific legislation. There is evidence of overlapping mandates and duplication of effort between DAC and its institutions. There is lack of clarity on the roles and responsibility of different departments in national government. There is also evidence of fragmentation and duplication of efforts between the various role players in the three spheres of government.

The Legislative Review and the Policy Review make specific proposals on legislative amendments and management of an “arm’s length” relationship between DAC and its agencies, including expressing support for an “arm’s length” relationship, subject to a clear policy environment, clear strategic direction and obligations, on the grounds that:

- The management of cultural matters and cultural heritage is more likely to be autonomous and transparent.
- It makes it less likely that culture will be used as a political strategy.
- It makes it less likely that culture will be used as a mechanism of exclusion or a barrier between people.

The almost unanimous submission of all role players is that there is a need for rationalisation of institutions and clarification is needed on the roles and responsibilities to avert parallel and overlapping initiative and unnecessary government consumption expenditure.

Box 1

The legislative framework provides for the establishment of national agencies, each with the own governing board, and advisory councils:

- Foundation for the Creative Arts
- Heraldry Council
- National Archives Advisory Council
- National Arts Council
- National Council for Library and Information Services
- National Film and Video Foundation
- National Heritage Council
- National Library Board
- Pan South African Language Board
- Performing Arts Council
- South African Geographical Names Council
- South African Heritage Resources Agency Foundation.

The eighteen national museums, five playhouses and Business and Arts South Africa also have their own governing body and receive transfers from DAC.

In addition to the pressing need for clarification of roles and responsibilities, there is evidence of poor communication and co-ordination between different role players which undermines optimal performance and efficient and effective use of resources.

5.5 Programmes

Related to concerns regarding the clarification of roles and responsibilities between DAC, its institutions and the Provinces, there is much evidence of initiatives that have struggled to succeed due to the underlying problems with institutional arrangements.

In particular, it is the submission of Provinces that the Community Arts Centres, an initiative of the DAC, albeit well intentioned are not adequately resourced and functional and have become an unfunded mandate for the Provinces. The Provinces are also of the view that the commitments of the Investing in Culture Programme, in excess of R 100 m per annum and funded as an Expanded Public Works Programme, did not materialise, resulting in demoralisation and frustration as a result of disappointed expectation.

5.6 Infrastructure

Throughout the country there has been investment in infrastructure. There are reports of buildings that are unutilised and underutilised for a variety of reasons including embarking on initiatives without prior development of a financial sustainability plan, underfunding to allow

full materialisation of the original plans, insufficient OPEX to allow the infrastructure to be used for the purposes originally intended, inappropriate location.

The view of role players affected is that a financial injection is required to ensure that existing infrastructure is maintained and operated for the purposes originally intended.

5.7 Funding

Whilst there is general recognition of competing demands, it is the submission of all role players that there are funding challenges and that these challenges could be at least partially addressed if the funding that is available was more efficiently and effectively utilised.

All role players complain that the criteria for funding are not transparent, that the processes for accessing funding are cumbersome and that the turnaround times are very long. There was particular unhappiness articulated that there is no apparent alignment in disbursement of Lottery funds with policy and plans of the sector.

The institutions of DAC expressed the view that DAC funds initiatives, which actually fall within the funding mandate of a particular institution, in an ad hoc manner, with obvious consequences regarding clarity of roles and responsibilities and efficiencies. It was also argued that this sometimes results in double dipping without disclosure of multiple sources of funding by the applicant.

6. Performance of the sector

6.1 Economic contribution of sectors

An understanding of the economic contribution of the creative and cultural industries in South Africa is hampered by the absence of reliable time series data. Information about the different sectors making up the creative and cultural industries is found in three major divisions in the national accounts and it is therefore impossible to assess the economic contribution of the sector from the data of StatsSA.

Quantitative and qualitative data is collected by the International Marketing Council, SATourism and the Government Communication and Information Service. Some of this research is relevant to the sector, but no sector specific information is collected at this stage. Research of the Department of Trade and Industry has informed their sector specific strategies for craft, film and music and this provides some information about the sector. The Department of Labour has also commissioned research, including a sector studies research project dated March 2008.

The DAC and its institutions have initiated ad hoc research reports from time to time but there is no baseline data and no plan for periodic surveys to measure change in economic performance and inform policy and resource allocation decisions.

Highlights of available information on the performance and economic contribution of the sector are captured in this section.

i) Cultural and natural heritage

In the Western Cape¹ a study was completed to analyse and quantify the economic contribution and impact of heritage in the Western Cape in early 2010. The study analysed data from Robben Island, 8 national parks and botanical gardens, 24 provincial nature reserves, 29 museum and 2 visitor attractions. The study did not include private institutions which were reluctant to provide information. The study is an indicator of the relative performance of the heritage sector. In 2008/9 the direct income of the heritage sites studied amounted to R 176m and 716 people were directly employed.

The Cradle of Humankind World Heritage Site² celebrated its 10th anniversary in December 2009. The Management Authority for the site has conducted supply, demand and investment research. These studies are an indicator of the relative performance of an individual heritage site. Over the 10 year period the number of attractions in the area has grown from 63 to 405 employing an estimated 7 000 permanent and 2 200 casual employees

¹ Assessing the economic value and impact of heritage sites in the Western Cape, 18 March 2009

² Annual Report 2009/2010

The South African National Biodiversity Institute (SANBI)³ manages 9 national gardens and serves as a useful indicator of the economic value of our natural heritage. SANBI directly employs 719 people, direct income from admissions in 2009/10 amounted to R 26.1 m and an additional income of R 8.2m was received from rentals including concessions for restaurants. SANBI also estimates that the **contribution of ecotourism to the economy at R 21 billion**⁴.

ii) Performance and celebration

The **music industry** was worth around **R1.7 billion** in sales and ranked 17th in the world in 2007⁵. The music industry is labour intensive and has many economic multipliers with the potential to generate significantly more employment than it already does. The **Gauteng province alone employs around 18 800 people** with the potential for significant expansion.

The value of the **performing arts** is best represented as a sample by the 2008 Gauteng Creative Mapping Project⁶. The activities included in the study are dance, orchestra, music, opera, musical theatre, theatre, comedy, circus performance, magic shows, poetry and storytelling. The **turnover in the sector in Gauteng was estimated at R 260 m, gross value added of R 166 m and employing 2 200 people**

iii) Visual arts and crafts

It is estimated⁷ that the **visual arts sector** has a **turnover of nearly R 2 billion and gross value added of R 1 billion** per annum. There are an estimated **17 700 people working** in the sector.

The Department of Trade and Industry (the dti)⁸ estimates that the **craft sector** contributes **R1,1 billion to GDP** and **employs approximately 38 062 people** through the economic activity of about 7 028 micro- and small enterprises operating across the value chain. Over the last five years the sector has shown an average growth of 8%, which is attributed to growth in tourism and the impact of interventions in the sector.

iv) Press, books and information

The 2007 Annual Industry Survey⁹ surveyed 34 out of a total of 169 industries. This sample represented 94% of the total turnover in the **book publishing industry**. The **estimated total net turnover was R 3.2 billion**. A total of **13 769 authors and 818 other entities** received royalties.

³ Annual Report 2009/2010

⁴ Biodiversity for development – Commissioned by DEA and SANBI and funded by UNDP

⁵ Industrial Policy Action Plan 2011/12 – 2013/14 – the dti

⁶ Gauteng Creative Mapping Project – Prepared by AMERU (Wits University) and CAJ in collaboration with the British Council, 2008

⁷ An assessment of the Visual Arts in South Africa, September 2010 – HSRC, AMERU (Wits University), Thomson Research Services

⁸ <http://www.thedti.gov.za/sectors/FilmIndustry.htm>

⁹ Annual Book Publishing Industry Survey Report, 2007 – University of Pretoria

v) **Audio-visual and interactive media**

The Department of Trade and Industry (the dti)¹⁰ estimates that the **film industry**, from pre-production to distribution, generates over **R5.5 billion** in economic activity annually and **employs an estimated 30 000 people** in 170 production companies, 12 crewing agencies, and 100 equipment, post production and service companies. The internationally accepted employment multiplier for the film industry is 1.7 and the sector as a generator of valuable foreign exchange. The competitiveness of the local film industry improved in 2010 with the local film industry attaining 11% of market share¹¹.

The **broadcasting industry** comprises 3 TV channels and 19 public sound broadcasting services, a community sector of over 100 sound broadcasting services and one community television service, as well as a largely black owned commercial sector consisting of 15 sound services and 2 television operators. The National Association of Broadcasters estimates the gross advertising revenue for the industry increased in value from just over R2 billion to close to **R8.5 billion** between 1994 and 2006¹²

vi) **Design and creative services**

Representative design organisations exist for architecture, ceramics, fashion, graphic design, interior design, jewellery, set design and textile design.

The value of **fashion design** is best represented as a sample by the 2008 Gauteng Creative Mapping Project¹³. The **turnover in the sector in Gauteng was estimated at R 192.5 m, gross value added of R 121.1 m and employing 1 700 people.**

6.2 **The Gauteng Creative Mapping Project**

A comprehensive mapping exercise of the creative and cultural industries was completed in Gauteng in late 2007. This project is the only one of its kind and its findings are the best indicator of the relative performance and employment profile of the different sectors of the creative and cultural industries

The Gauteng Creative Mapping Project¹⁴ summarises the performance of the creative industries as follows:

¹⁰ <http://www.thedti.gov.za/sectors/FilmIndustry.htm>

¹¹ Box Office Report 201 – National Film and Video Foundation

¹² <http://www.nab.org.za/broadcast.asp>

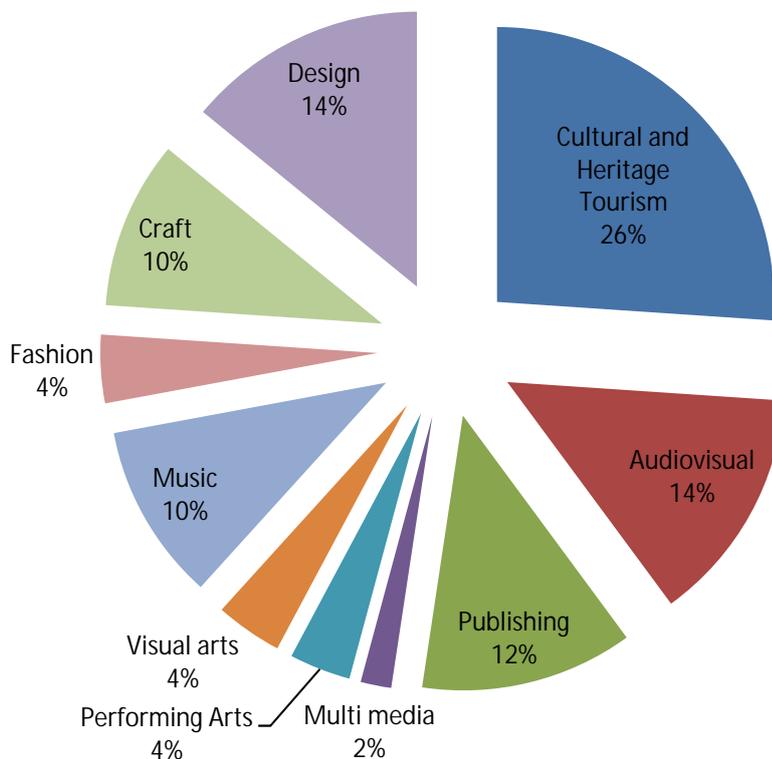
¹³ Gauteng Creative Mapping Project – Prepared by AMERU (Wits University) and CAJ in collaboration with the British Council, 2008

¹⁴ Gauteng Creative Mapping Project – Prepared by AMERU (Wits University) and CAJ in collaboration with the British Council, 2008

*In Gauteng directly and indirectly, it is estimated that the creative industries contribute **R33,3 billion to the Gauteng economy and creates employment for over 182,000 people**. Overall, the creative sector contributes about 1% of the value-added by the tertiary sector and 0.7% for the provincial economy as a whole. In terms of direct employment, the creative industries account for 1,9% of employment in the province, slightly more than agriculture and forestry (1,8%) and slightly less than mining (2,5%).*

The distribution of employment between sectors is illustrated in Figure 1

Figure 1 - Employment by sector



6.3 Global comparison

The United Nations Conference on Trade and Development (UNCTAD) Global Database on the Creative Economy compares the performance of countries globally up to 2008. There was growth (measured in US \$ m) in exports of cultural goods, services and related industries over the period 2002 to 2008. There was also growth of over 100% in South Africa's share of related industries. However, the South African share of creative goods over the period 2002 to 2008, declined from 0.162% to 0.1%. With the exception of antiques, visual arts and architecture the share was stable or experienced significant declines, in some instances declines of over 100%.

In setting targets for performance of the sector, South Africa must recover and improve its share of the world economy.

Table 1

	2002	2003	2004	2005	2006	2007	2008
Creative goods (% of World Share)							
All creative industries	0.162	0.154	0.135	0.129	0.105	0.091	0.100
Antiques	0.414	0.486	0.294	0.398	0.387	0.439	1.895
Visual Arts	0.164	0.167	0.138	0.162	0.122	0.134	0.312
Architecture	0.017	0.070	0.012	0.014	0.011	0.141	0.257
Related industries (% of World Share)	0.333	0.772	0.883	0.773	0.727	0.714	0.736
Exports (US \$ m)							
Creative goods	333	360	362	385	342	335	408
Services	38	60	88	114	103	90	99
Related Industries	1 253	3 416	4 930	4 926	5 165	5 076	5 349

Source: UNCTADSTAT

7. Categorisation, definitions and cultural statistics

The various studies undertaken since 1994 use different categorisation and definitions to describe the sector. In addition, sets of data used by StatsSA (and formerly the Central Statistical Service) and in various research studies are not always comparable making it difficult to monitor trends in the sector to inform decision-making.

A uniform approach to describing and gathering information about the performance of the sector is the only way in which the sector can be evaluated to inform policy and resource allocation decisions. Evidence-based research is also crucial for making global comparisons and learning from the experience of other countries.

The NUCTAD Creative Economy Report 2010 argues that the cultural and creative industries are an important driver of job creation and social inclusion. The report discusses the growth and growing trade share of the creative industries in the South.

Box 2

A new development paradigm is emerging that links the economy and culture, embracing economic, cultural, technological and social aspects of development at both the macro and micro levels. Central to the new paradigm is the fact that creativity, knowledge and access to information are increasingly recognized as powerful engines driving economic growth and promoting development in a globalizing world.

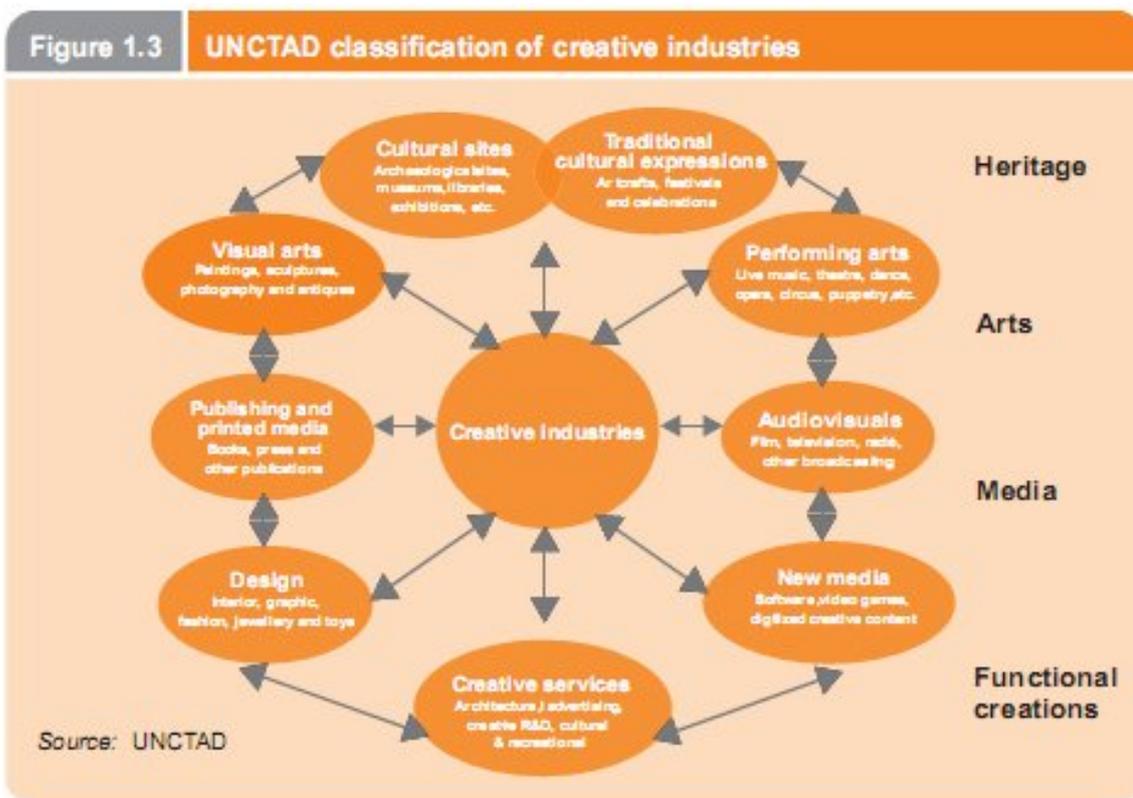
The emerging creative economy has become a leading component of economic growth, employment, trade and innovation, and social cohesion in most advanced economies. Unfortunately, however, the large majority of developing countries are not yet able to harness their creative capacity for development. This is a reflection of weaknesses both in domestic policy and in the business environment, and global systemic biases. Nevertheless, the creative economy offers to developing countries a feasible option and new opportunities to leapfrog into emerging high-growth areas of the world economy.

This *report* presents an updated perspective of the United Nations as a whole on this exciting new topic. It provides empirical evidence that the creative industries are among the most dynamic emerging sectors in world trade. **It also shows that the interface among creativity, culture, economics and technology, as expressed in the ability to create and circulate intellectual capital, has the potential to generate income, jobs and export earnings while at the same time contributing to social inclusion, cultural diversity and human development.** This *report* addresses the challenge of assessing the creative economy with a view to informed policy-making by outlining the conceptual, institutional and policy frameworks in which this economy can flourish.

Highlights: Creative Economy Report 2010
Creative Economy: A Feasible Development Option
<http://www.unctad.org/creative-economy>.

In 2004, UNCTAD developed a classification system for the cultural industries. The UNCTAD approach relies on enlarging the concept of “creativity” from activities having a strong artistic component to “any economic activity producing symbolic products with a heavy reliance on intellectual property and for as wide a market as possible” UNCTAD makes a distinction between “upstream activities” (traditional cultural activities such as performing arts or visual arts) and “downstream activities” (much closer to the market, such as advertising, publishing or media-related activities) and argues that the second group derives its commercial value from low reproduction costs and easy transfer to other economic domains. From this perspective, cultural industries make up a subset of the creative industries.¹⁵

¹⁵ UNCTAD: *Creative Economy Report 2010*



The UNCTAD Creative Economy Report 2010 envisages working in a complementary and collaborative manner with the United Nations Educational, Scientific and Cultural Organisation (UNESCO).

In 2009, the UNESCO Institute for Statistics produced a Framework for Cultural Statistics. The Framework, informed by a global consultation process involving experts in the field of cultural statistics and policy, was adopted and an adaptation of this framework is recommended to allow South Africa benchmark and compare its performance globally.

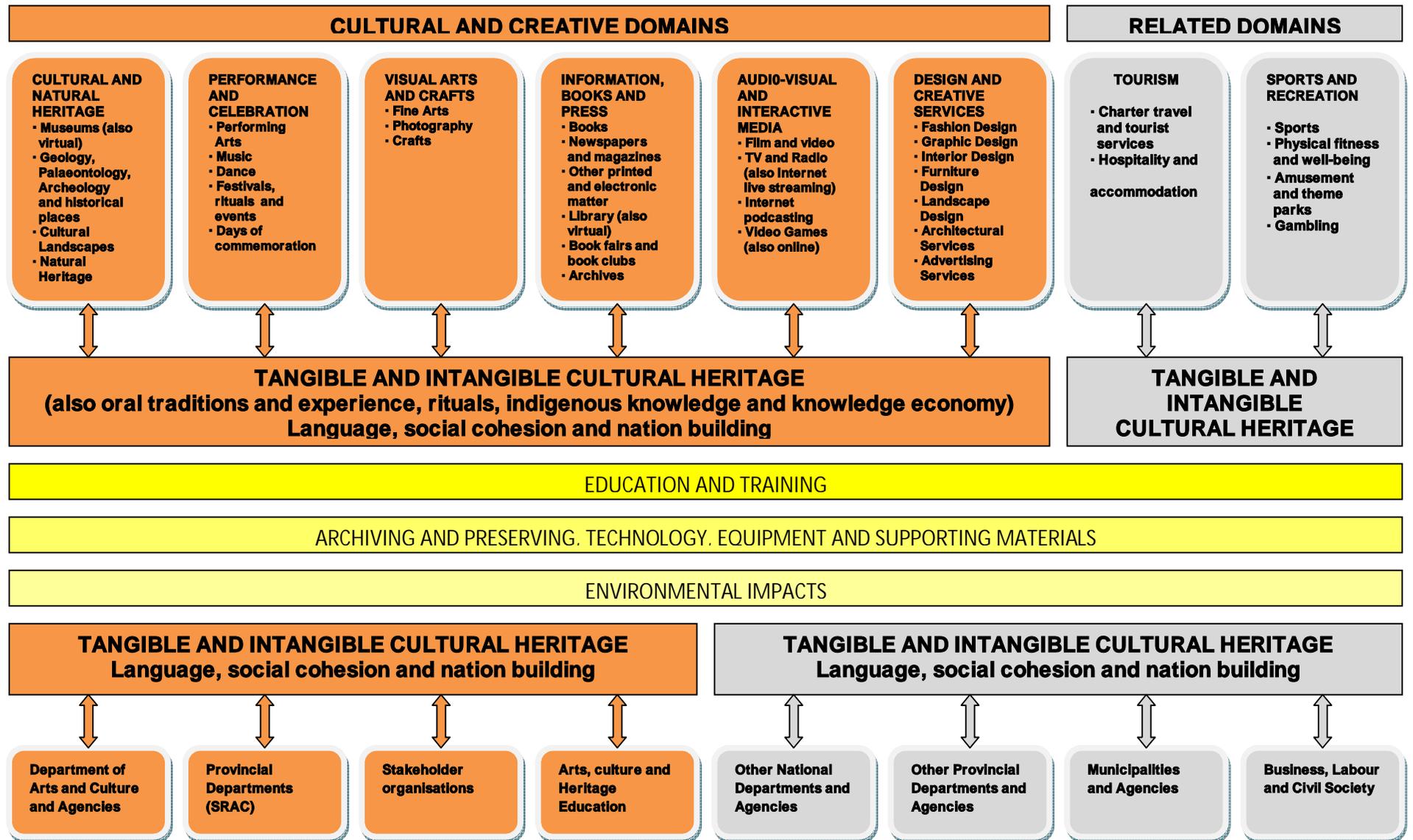
It is proposed that the StatsSA Standard Classification codes (SIC codes) be mapped to this framework and that if this approach is adopted DAC would need to ensure that all future research commissioned by all departments in all spheres of government utilise this framework to allow national and international comparability, reliable analysis and better decision making based on trends emerging from ongoing monitoring and evaluation. The adapted Framework is shown in figure 2 and provides a useful framework for productive industries, activities and practices in the sector which are transversally linked to both tangible and intangible cultural heritage.

The proposed categorisation is therefore:

1. Cultural and natural heritage
 - Museums (including virtual museums)
 - Geology, Palaeontology, Archeology and Historical Places
 - Cultural Landscapes
 - Natural Heritage

2. Performance and Celebration
 - Performing Arts
 - Music
 - Dance
 - Festivals, rituals and events
 - Days of commemoration
3. Visual Arts and Crafts
 - Fine Arts
 - Photography
 - Crafts
4. Press, books and information
 - Books
 - Newspapers and magazines
 - Other printed and electronic matter
 - Library (including virtual libraries)
 - Book fairs and book clubs
 - Archives
5. Audio-visual and Interactive Media
 - Film and video
 - TV and Radio (including Internet live streaming)
 - Internet podcasting
 - Video Games (including online)
6. Design and Creative Services
 - Fashion Design
 - Graphic Design
 - Interior Design
 - Furniture Design
 - Landscape Design
 - Architectural Services
 - Advertising Services

Figure 2: Framework for cultural statistics

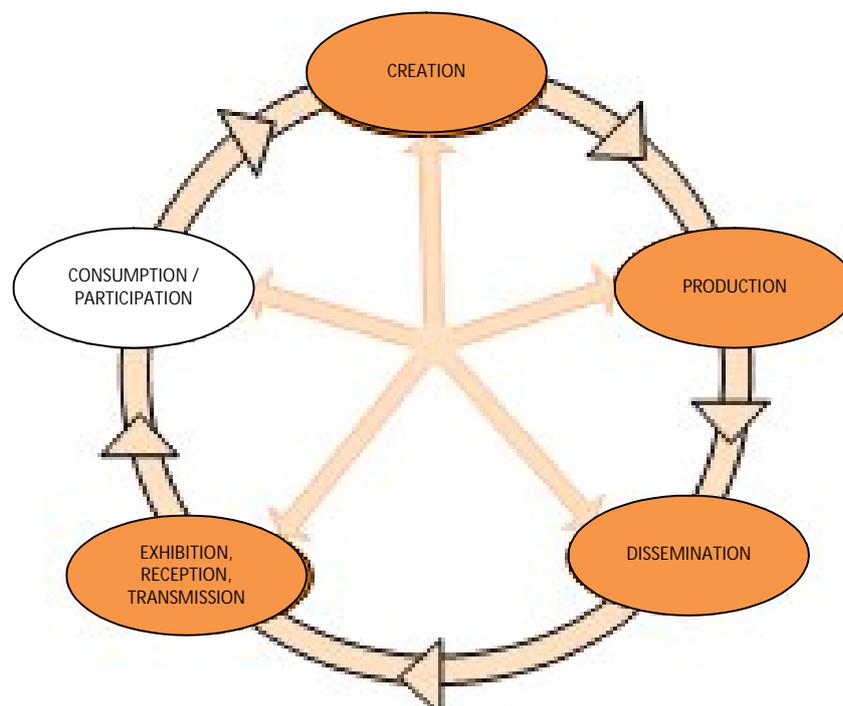


The Framework is linked to a model for the sector - Creation, Production, Dissemination, Exhibition/Reception/Transmission and Consumption/Participation. The cycle is shown in figure 3 and likewise provides a useful framework to allow for a holistic approach to the sector linking cultural and creative industries to transversal tangible and intangible cultural heritage. The model allows for relationships between activities, production, circulation and use of culture and creativity. The model also allows for conscious planning of policy approaches and programmes targeting each stage of the cycle of activity

The five stages in the cycle are defined as follows:

1. **Creation:** the originating and authoring of ideas and content (e.g. sculptors, writers, design companies) and the making of one-off production (e.g. crafts, fine arts).
2. **Production:** the reproducible cultural forms (e.g. TV programmes), as well as the specialist tools, infrastructure and processes used in their realisation (e.g. the production of musical instruments, the printing of newspapers).
3. **Dissemination:** the bringing of generally mass-produced cultural products to consumers and exhibitors (e.g. the wholesale, retail and rental of recorded music and computer games, film distribution). With digital distribution, some goods and services go directly from the creator to the consumer.
4. **Exhibition/Reception/Transmission:** refers to the place of consumption and to the provision of live and/or unmediated cultural experiences to audiences by granting or selling access to consume/participate in time-based cultural activities (e.g. festival organisation and production, opera houses, theatres, museums). Transmission relates to the transfer of knowledge and skills that may not involve any commercial transaction and which often occurs in informal settings. It includes the transmitting of intangible cultural heritage from generation to generation.
5. **Consumption/Participation:** the activities of audiences and participants in consuming cultural products and taking part in cultural activities and experiences (e.g. book reading, dancing, participating in carnivals, listening to radio, visiting galleries).

Figure 3: Cycle of Activities, Production, Circulation and Use of Culture / Creativity



8. Strategic approach

The proposed strategy of the DAC recognises that the arts, culture and heritage practitioners are creative and innovative and that they are involved in a myriad of successful initiatives which contribute immensely to economic and social development. The proposals of the DAC with specific reference to implementation of the New Growth Path through development of the creative and cultural industries will focus on:

- i) General continuity **and** introduction of new initiatives, as far as possible recognising, building on, expanding and scaling-up existing initiatives
- ii) Identification and development of talent through ensuring appropriate skills development to develop excellence in the arts, culture and heritage sector
- iii) Facilitating expansion and growth of existing initiatives in the culture and creative industries to create large scale and high impact programmes, maximizing the growth and employment potential of the sector
- iv) Expansion and co-ordination of supply and demand in the sector
- v) Enhancement of existing production and creation of new business opportunities to match demand
- vi) Monitoring and evaluation to guide investment and co-ordination of current and future resources for the sector

The proposals emanating from this strategic approach will be implemented through the establishment of planning task teams responsible for development of detailed business plans, with timeframes for implementation, and fully elaborated financial and human resource implications. The planning task teams will involve identified organisations and individuals who have been involved with similar previous initiatives so that mistakes that may have been made in the past are not repeated. In addition, the initial consultation with related Departments will be taken forward to involve these related departments in the planning and implementation of the proposals.

Whilst the proposals reflect a tactical approach of allocation of resources to a smaller number of large scale programmatic interventions it is envisaged that the detailed planning process will make provision for linkages within the sector to facilitate support for, growth, visibility and demand for related initiatives. In particular, successful and sustainable initiatives will be supported and replicated.

It is proposed that the results of monitoring and evaluation be used to inform a continuous process of policy review and legislative reform commencing with review and implementation of the recommendations of the 2007 Legislative Review and the 2009 Policy Review. This will include rationalisation of the current institutional arrangements and clarification of the roles and responsibilities of the different spheres of government, the institutions of the DAC and DAC itself.

The 2009 Policy Review also identifies a number of policy gaps in the 1996 White Paper on Arts, Culture and Heritage. As part of review and implementation of the recommendations of the 2009 Policy Review this will be addressed and legislation development where required.

Box 3

The White Paper is silent on a number of issues on which policy guidance is required. Policy gaps that have been identified include policies for:

- intangible cultural heritage;
- community-based heritage initiatives;
- legacy projects;
- monuments and memorials;
- national museums;
- identifying and commemorating victims of conflict;
- exhumations, reburials, and human remains;
- repatriation of heritage concerns;
- restitution of heritage concerns;
- public interest copyright exceptions;
- research and development in the arts, culture, and heritage sector;
- access to heritage resources, institutions, and collections;
- funding of public entities;
- digitisation of heritage concerns;
- social cohesion;
- cultural world heritage sites;
- heritage and tourism; and
- building and sharing intellectual capital by building a knowledge society.

Department of Arts and Culture: Policy Review Report, 2009

9. Proposals

9.1 Education and Skills development

i) Concept

The continuous process of creation, production, dissemination, exhibition and consumption of the cultural and creative industries requires education and skills development in each stage of the cycle and in all stages of the education system.

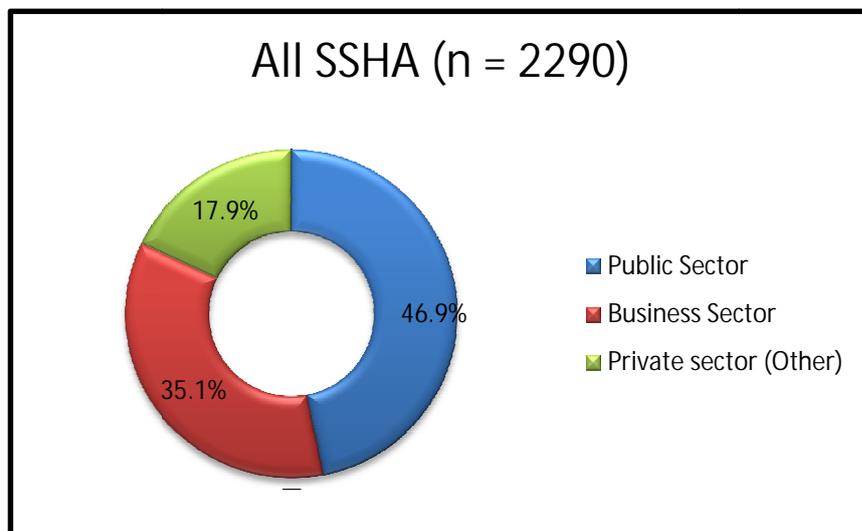
Production of goods and services in the sector requires continuous audience development and consumption of what the sector has to offer. Audience development requires appreciation of what the sector has to offer. This appreciation potentially builds “unity in diversity” allowing the sector to contribute to the goal of social cohesion.

Production of goods and services also requires a continuous process of creativity by practitioners as well as the development of associated skills to enable the process of production.

The heritage sector requires the development of skills for the conservation and protection of our heritage estate and assets as well as the skills for transmission and exhibition of our heritage. A heritage sector skills audit in which 124 out of 384 organisations participated, identified 38 areas of scarce skills including 8 areas of specialised skills, namely conservators (in all media), restorers, curators, archaeologists, palaeontologists, taxidermists, entomologists and taxonomists

The Centre for Research on Science and Technology at the University of Stellenbosch conducted a large sample survey (12 064 respondents) for the Academy of Science in South Africa – a tracer study of university graduates in the social sciences, humanities and arts – in 2010. The study showed that 84% of graduates in the social sciences, humanities and arts were employed, with close to 50% being employed in the public sector.

Figure 4: Sector of employment of graduates in the social sciences, humanities and arts



In the process of consultation all stakeholders made submissions on training initiatives, many of which are not accredited.

Many other initiatives are in progress:

- Work has been done by the National Film and Video Foundation investigating the feasibility of establishing a national film school
- A National Consultation on the status of theatre and dance is in progress in collaboration with the Southern Africa Theatre Initiative
- Research on the need for Events and Technical Services was commissioned resulting in a mandate to embark on consultations with Provinces
- Research has been done by MAPPP-SETA to develop a human resource development strategy

ii) Basic Education

The curriculum provides for 2 hours of contact time per week, including music, art, drama, dance and visual art, as part of Life Skills in the Foundation Phase. In the

Intermediate Phase provision is made for 1.75 hours contact time per week in the subject component Creative Arts as part of Life Skills. In the Senior Phase 2 hours of contact time is allowed for the subject component and electives in music, drama, design, dance and visual arts are allowed in Grades 10 – 12 in schools offering these subjects.

In collaboration with the Department of Basic Education it is proposed that measures be explored to provide basic resources in schools and support and develop the skills of educators who are responsible for the presentation of the curriculum content. It is proposed that an “artists in residence” programme be developed to improved the quality and practices of educators and that this be supported by training of classroom assistants to work with school clusters

It is proposed that the curriculum be complemented by the formation of school clusters and that existing centres be used for extra-mural enrichment programmes focusing on the arts and that this be used as a platform for competing in an annual arts week competition to stimulate a focus on the sector.

Finally is it argued that a conscious prioritisation of the arts, culture and heritage is important in order to identify and develop talent from the youngest possible age, to encourage the arts as a career path of choice and not an inferior option, to promote appreciation of the arts which is a prerequisite for audience development and to help build social cohesion. It is also argued, based on research elsewhere in the world, that learning in the arts is important for education of the “whole child” and that intellectual development is enhanced. Studies have shown that young people who learn to play music outperform their peers.

iii) Higher Education

The University of Stellenbosch study shows that there is good performance in employment of university graduates. However, in the research studies and consultation skills shortages and development of skills are identified as gaps. It is proposed that, in collaboration with the Department of Education and the MAPP SETA the needs for higher education for the job market are identified and met. It is also proposed that a SETA be established for the creative and cultural industries.

iv) National Cultural Industries Skills Academy (NaCISA)

It is proposed that a Centre of Excellence, a National Cultural Industries Skills Academy be established. The initiative has been registered with the National Treasury as a PPP project and it is envisaged that it will be developed in collaboration with the Departments of Basic Education and Higher Education, the Department of Trade and Industry and the Department of Labour. It is proposed that NaCISA encompass the total spectrum of needs for the sector and this it works in collaboration with institutions of higher learning across the country.

v) **Implementation**

A DAC project task team is in place for the development and implementation of these proposals. It is proposed that the initiatives be taken forward as joint projects with the Departments of Basic and Higher Education and that individuals with experience and expertise in the education be invited to participate in the project task team to develop detailed plans for implementation by 1 August 2011.

9.2 **Establishment of a sourcing enterprise**

i) **Concept**

Numerous points of sale already exist for the variety of goods and services offered by the sector including. These include shops, visitor attractions offering a variety of goods and services, online platform for niche markets and online sales for ticketing. Government has over the years embarked on various initiatives to establish enterprises which have varying track records, including failure for reasons of financial viability, inadequate attention to commercial principles, poor quality control for the sourcing of goods, skills development needs particularly in entrepreneurship and design for producers of commodities, poor stock control.

It is proposed that a **virtual** and a **physical** enterprise be established to enhance access to everything that the arts, culture and heritage sector has to offer. The objectives of the enterprise would be to stimulate demand for goods and service in the sector and therefore increased production within the sector and to provide support for producers, including business support, support for product development and market access.

The enterprises would have the sole purpose of sourcing commodities, activities and experiences for dissemination / distribution to audiences and participants in consumption of commodities, activities and experiences. The enterprises should supplement and not displace existing institutions and mechanisms to access, disseminate and consume commodities, activities and experiences. The enterprises would also act as the supplier to government of commodities, activities and experiences that are not currently sourced appropriately¹⁶.

This approach is intended to inventorise all sources of commodities, activities and experiences for access by consumers and participants. Amongst others this would allow

- a) Wider choice by international and domestic consumers and participants (individuals and companies)
- b) Increased demand as a result of increased choice, stimulating increased production
- c) Access to markets for producers, particularly small enterprises and producers in remote areas

Both the virtual and the physical enterprise would be required to focus in particular in sourcing goods and services from remote areas where market access and the overhead costs of production are prohibitive.

¹⁶ Examples would include crafted conference bags, gift items including crafts and books, etc

ii) A virtual enterprise

It is proposed that the **virtual enterprise** take the form of an online platform or portal accessible through the International Marketing Council, SATourism and Government Communication and Information Services websites. The portal would allow consumers to visualise what is offered by the sector (commodities, activities and experiences), make contact with the producer and enter into a transaction.

The enterprise would be responsible for:

- Creating an online inventory, with visual representation, of all that the sector has to offer
- Ensuring quality control of goods and services, including the possible development of an accreditation system
- Providing entrepreneurial and product development support, including design support, to the producers of goods and services where need be
- Conducting market research to assist producers with information on consumer demand preferences
- Marketing of the enterprise to buyers nationally and internationally

It is proposed that the transaction between buyer and seller be concluded directly and that the virtual enterprise does not act as an intermediary for the transaction. However, it is proposed that the enterprise be responsible for collection and reporting of verifiable data on the procurement of goods and services and the employment impacts in the sector and that the enterprise be incentivised for performance based on targets.

It is proposed that the virtual enterprise be established as an outsourced venture through a competitive bidding process with clear output specifications.

iii) A physical enterprise

It is proposed that the **physical enterprise** be piloted in Pretoria with its primary purpose being to source and supply commodities for government conferences and events, with the aim of extending to corporates.

The enterprise would be responsible for:

- Sourcing goods and service for conferences and events
- Holding stock for off-the-shelf procurement
- Ensuring quality control of goods and services, including the possible development of an accreditation system
- Providing entrepreneurial and product development support, including design support, to the producers of goods and services where need be
- Conducting market research to assist producers with information on demand preferences

A requirement to purchase from the to-be-established enterprise would not be mandatory but it would be mandatory for all three spheres of government to procure local goods and services for conferences and events. In the event that procurement does not follow normal supply chain management procedures, it is proposed that through a Cabinet resolution and amendment to the regulations to the Preferential Procurement Policy Framework Act, Act 97 of 2000, procurement from the to-be-established enterprise be allowed.

It is proposed that the physical enterprise be established as a commercial enterprise through a competitive bidding process with clear output specification and that the performance incentives be build in to the tender specifications. The output specification would include controls on price escalations and requirements to source from poor communities and rural areas.

iv) **Related government initiatives**

The DAC will work with the following government departments:

Department of Trade and Industry: The sector support programmes for craft, music, jewellery, clothing textiles and footwear will be incorporated into the planning for the establishment of the enterprises

Department of Mineral Resources: The beneficiation programme of the Department is in its final stages and will include jewellery production. This will be incorporated into the planning for the establishment of the enterprises

MINTEK: MINTEK supports 5 jewellery projects, 7 beading projects and 20 stone cutting projects. These projects will serve as sources for the enterprises.

Department of Environmental Affairs: The Department supports the development of art from waste and these projects will serve as sources for the enterprises

DAC institutions: A number of the DAC institutions support projects that produce goods and services and this will be incorporated into the planning for the establishment of the enterprises

Provincial Government: All the Provinces have initial inventories of producers of goods and services which will be linked to the virtual enterprise and serve as sources for the enterprises

v) **Implementation**

It is proposed that a task team be established by the Minister, led by an indented project manager in the DAC, comprised representatives from relevant government departments, organisations with expertise and experience relevant to this proposal and key individuals who have been involved in similar initiatives.

The project team will be responsible for:

- Development of a detailed business plan with financial and personnel implications
- Development of tender specifications for the establishment of the enterprises and management of the bidding process, including consideration of a PPP, in terms of the Treasury Regulation to the Public Finance Management Act, Act 1 of 1999

The proposed target date for completion of the business plan and tender process is 1 July 2011.

9.3 Development of “More that you can imagine”¹⁷ cultural precincts

i) Concept

It is proposed that criteria be used for the establishment of 10 – 20 “More that you can imagine” cultural precincts with offerings of as expansive a range as possible of commodities, activities and experiences of the arts culture and heritage sector as possible.

The cultural precincts would be nationally supported and marketed so that they receive exposure on national and international platforms.

The rationale of this approach is that, firstly, when the extent of the offering at a site is expanded the pull factor of the site is increased and producers will increase their consumption of commodities and experiences. Various cultural and natural heritage attractions have increased their visitation and revenue from sales by expanding their offering to include restaurants, shops, concerts, exhibitions, book launches, festivals etc.

Secondly, tactically selecting sites that have the potential for massive pull allows these sites to serve as a push factor for encouraging visitation and patronage to related sites and attractions, experiences and activities.

Thirdly, marketing of South Africa internationally requires identification and focused profiling of the unique competitive and comparative advantage attributes in order to grow international arrivals. Similarly growth in domestic consumption requires expansion of the current levels of consumption of what is on offer and a spotlight on precincts offering the greatest possible exposure to the sector facilitates development of a marketing strategy that allows the pull factor of the precincts to encourage circulation and visitation to other sites.

The financial viability of the proposed precincts will depend on year round patronage levels. The implication of this is that the offering of the precincts would need to continuously attract local residents in sufficient numbers to complement visitation from elsewhere.

¹⁷ The logo type “More than you can imagine” is currently under review and is used for illustrative purposes

The precincts would be used as pointers to other sites, experiences and activities. The main criteria for choice of the precincts could include:

- Existing high patronage
- Geographic spread
- Association to important cultural, archeological and historical sites, for example the World Heritage Sites, important monuments and museums, theatre complexes
- Association with important landscapes, for example the national parks and botanical gardens
- Association with important sites of performance, for example theatre complexes
- Scale and extent of current offerings

It is proposed that the offerings at the selected precincts be expanded and branded as the “More that you can imagine” destinations with as complete and diverse as possible offerings of commodities, activities and experiences (tangible and intangible) that consumers will be able to identify with as places that encompass all elements of the sector and pointing to offerings elsewhere. It is envisaged that the sourcing enterprises would play a critical role in expanding the offerings at the precincts.

It is also proposed that, to ensure that the precincts are constantly refreshed, annual travelling programmes and exhibitions be rotated through the precincts (See 9.6)

Finally it is proposed that an information precinct be located within each cultural precinct to serve as a virtual experience of other sites and experiences for purposes of marketing and stimulating demand. (See 9.5)

ii) Proposed precincts

It is proposed that the precincts be piloted at partially existing precincts in very high patronage and / or strategic locations with the intention of Phase 2 and 3 expansion to other sites

The proposed Phase 1 precincts are

- Bloemfontein – The Waaihoek Historical Precinct located in the centre of the city of Bloemfontein, extending into the Batho Township
- Nelspruit – Gateway to the Kruger National Park
- Durban – Arts and Culture Precinct incorporating historically important landmarks, the Playhouse Company and the KZN Philharmonic Orchestra
- Cape Town – Eastern Precinct incorporating the Castle, Grand Parade, Company’s Gardens, Fan Walk
- Johannesburg – Newtown Cultural Precinct (additional implementation)

It is proposed that the following precincts be considered in Phase 2 and Phase 3

- The nine World Heritage Sites due to the fact that there are inscribed on the World Heritage Site list due to the unique global importance of each site. The character and scale of precincts at the World Heritage Sites would need to be planned to be commensurate with the potential of each site in relation to current and projected visitation given that not all the sites are located in areas of high patronage
- Kruger National Park incorporating Thulamela, rock art sites and the Limpopo Shashe confluence
- Grahamstown incorporating the old jail and other sites as a precinct focused on heritage education in restoration, refurbishment and conservation of colonial architecture
- Tshwane incorporating the State Theatre, Ditsong Museums, Lillian Ngoyi and Sammy Marks squares
- The Tswaing meteorite impact site incorporating a focus on craft production in the vicinity of the site
- Basotho Cultural Village incorporating the Golden Gate Highlands National Park and linked to Clarins as a retail destination

iii) Implementation

It is proposed that a project manager and project task team be appointed for each precinct. The task team should be as inclusive as possible and include key individuals with prior experience in the planning, development and operation of precincts

The project team will be responsible for:

- Development of detailed output specification for the construction and operational phases of the precinct
- Undertaking a financial feasibility study for the establishment and operation of the precinct
- Development of a detailed business plan setting out the capital and operational financial requirements
- In collaboration with other precincts developing a proposal for the touring company for rotation of certain offerings to precincts
- In collaboration with the relevant role players and the virtual enterprise, developing an information precinct within the cultural precinct to promote and market visitation to other sites

The proposed target date for completion of the output specification and commencement with the financial feasibility study is 1 June 2011.

9.4 Development of a “More than you can imagine”¹⁸ experiences in association with a national calendar of events

i) Concept

It is proposed that an annual calendar of diverse events appealing to different audience segments be developed offering “More than you can imagine” experiences. These events would be nationally supported and marketed nationally and internationally. The events would offer the widest possible range of experience and activities, encouraging travel to the events from the greatest possible audience from as far afield as possible. The focus will be on scaling up and creating a cultural extravaganza at existing events and festivals allowing more to be offered over a longer duration for the event with obvious economic and social benefit for the location.

It is proposed that the calendar of events be planned with the best possible geographic spread and be used to place a spotlight on attractions and activities that do not necessarily enjoy high patronage throughout the year.

It is also proposed that the calendar of event include major international conferences and sporting events to opportunistically use these occasions to profile and showcase the offering of the arts, culture and heritage sector.

Similar to the cultural precincts, it is envisaged that an annual travelling programme of performances and exhibitions be rotated through the events (See 9.6)

It is proposed that at least one event per month scaling up to two per month are chosen as “More than you can imagine” events. The rationale for this is that, year round, anyone planning a trip would have the choice of coinciding their trip with a “More than you can imagine” event occurring at different locations around the country. The events would be marketed and promoted at the information precincts.

The main criteria for selection of “More than you can imagine” events could include:

- Existing high patronage
- Geographic spread
- Association with National Days
- Association with important festivals such as music and arts festival
- Association with important sporting events
- Association with important international conferences

ii) Proposed events

It is proposed that the offering of the “More than you can imagine” events be piloted at six planned festivals and events with expansion to 26 events per annum

- Eastern Cape – Grahamstown festival
- Free State – Macufe

¹⁸ The logo type “More than you can imagine” is currently under review and is used for illustrative purposes

- Limpopo – Mapungubwe festival
- Mpumalanga – Macfest
- Northern Cape – Diamonds and Doorns festival, Kalahari Desert festival
- North West – Calabash

The forthcoming COP 17 International Conference in Durban is also proposed as an event that includes a “More than you can image” cultural extravaganza.

Events that SATourism will be marketing over the next 12 months include

- National Arts Festival –Grahamstown, 30 June to 10 July 2011
- International Olympic Congress – Durban, 2-10 July 2011
- Vodacom Challenge soccer tournament – JHB/PTA/DBN/CT, July 2011
- Sports & Tourism Exchange conference & exhibition – Cape Town, 27-29 July 2011
- Cape Town Fashion Week – July 2011
- Joy of Jazz Festival – JHB, Aug 2011
- Joburg Art Fair – 22-25 Sep 2011
- Africa Fashion Week – JHB, Oct 2011
- Australia Cricket Tour to SA – Oct 2011
- Maloof Skateboarding Champs – Kimberley, Oct 2011
- Design Indaba – Cape Town, Feb 2012
- Cape Jazz Festival – Mar 2012

iii) Implementation

It is proposed that a project task team be established by the Minister, led by an identified project manager in the DAC, comprised representatives from relevant government departments, organisations with expertise and experience relevant to this proposal and key individuals who have been involved in staging festivals and events.

The project team will be responsible for:

- Development of detailed concept for “More that you can imagine events”
- In collaboration with the event / festival organisers developing a detailed business plan with financial and personnel implications for each event
- In collaboration with the cultural precincts project team developing a proposal for the touring company for rotation of certain offerings to events
- In collaboration with the relevant role players and the virtual enterprise, developing a travelling information precinct to promote and market visitation to arts, culture and heritage attractions

The proposed target date for completion of the detailed concept is 1 June 2011.

9.5 Information precincts

i) Concept

It is proposed that in addition to infrastructure development that may materialise from the development of the proposed “More than you can imagine” precincts, detailed business planning be allowed for the establishment of information precincts at the cultural precincts and elsewhere, including libraries, and that this be linked to civil society initiatives promoting a culture of reading.

It is also proposed that the information precincts incorporate a virtual museum and that the three existing initiatives to establish a virtual museum collaborate to achieve the best possible outcomes.

Main criteria for the location of these information hubs could include:

- Locations with high patronage
- Geographic spread
- School libraries at schools without libraries
- Co-location at “More than you can imagine” precincts
- Co-location at Community Arts Centres and Multi-purpose Community Centres

In addition to creation of construction phase and operation phase jobs, this would contribute significantly to education priorities.

ii) Implementation

It is proposed that a project task team from the DAC National Libraries and Archive Service be established by the Minister, led by an identified project manager.

The project team will be responsible for:

- Development of a detailed concept for development of information precincts
- In collaboration with the cultural precincts project teams planning the development of an information precinct at each cultural precinct
- In collaboration with the relevant role players and the virtual enterprise, developing a travelling information precinct to promote and market visitation to arts, culture and heritage attractions
- Identification of additional sites for the establishment of information precincts
- Detailed business planning, with financial and personnel implications, for the implementation of information precincts

The proposed target date for completion of the detailed concept is 1 June 2011.

9.6 Establishment of a national and international touring company

i) Concept

It is proposed that a funded national and international touring company be established to promote the arts, and as a tool for audience development.

The touring company would be responsible for:

- Working with the cultural precincts and events to develop a touring programme to the precincts and events. The touring programme could include the performing arts, music, film, exhibitions and retail.
- Securing international platforms for programming of South African productions and exhibitions
- Support the emergence of new talent and promotion of excellence globally

In addition it is proposed that the touring company play a role in programming of access travelling productions and exhibitions for purposes of audience development. In particular it is proposed that a minimum of theatrical productions and museum exhibition travel to education districts throughout the country to allow access particularly in poor and rural communities

ii) Implementation

It is proposed that a project task team be established by the Minister, led by an identified project manager in the DAC, comprised representatives from relevant government departments, organisations with expertise and experience relevant to this proposal and key individuals who have been involved in programming of travelling productions.

The project team will be responsible for:

- Development of detailed business plan for the tourism company
- In collaboration with the theatres development of a programme for travelling theatre productions for different target audiences
- In collaboration with the museum development of a programme for travelling exhibitions for different target audiences
- In collaboration with the cultural precincts project team developing a proposal for the touring company for rotation of certain offerings to the precincts
- In collaboration with the events project team developing a proposal for the touring company for rotation of certain offerings to events

The proposed target date for completion of the detailed concept is 1 August 2011.

9.7 Heritage Development

i) Concept

The preamble to a 1998 portfolio of legacy projects developed by the then Department of Arts, Culture, Science and Technology states:

The people of every great country are bonded by their history. Their cultural landscape is enriched by the patina of the buildings, monuments, sites and other places of meaning which reflect the events and layers of experiences and processes throughout the centuries. The Legacy Project, constituted by the Cabinet under the Ministry of Arts, Culture, Science and Technology, has undertaken, through its agent the National Legacy Committee, to approve and facilitate the setting up of new monuments, museums and museum programmes, plaques, outdoor artworks, history trails and other symbolic representations which will create visible reminders of many aspects of our formerly neglected heritage.

Three of the proposals, representing our neglected or marginalised heritage have been implemented:

- Constitution Hill
- The Samora Machel Memorial
- Freedom Park

Seventeen other proposals have not been implemented or have been implemented to a limited extent:

- The TRC Wall of Remembrance
- Monument to San
- Our precolonial heritage
- Great Patriots
- Memorials to the Women of South Africa
- Monument to the Workers of South Africa
- Forced Removals and Restitution
- Historical Turing Points
- The Long Walk to Freedom: The Mandela Trail
- Cenotaph to the Martyrs who fell in the Armed Struggle
- Dedicating Libraries
- Missionary Trails
- A History trail of the Slaves in the Western Cape
- In the Footsteps of Gandhi
- The Cultural Mapping of War Graves
- The Centenary of the 1899 – 1902 War
- New Museums

The proposed approach to the Legacy Projects was the inclusion of **living heritage** in each of the legacy projects i.e. incorporating our rich oral culture, storytelling, praise poetry, music, dance, ritual, customs, mythology, cosmology, values and language through a **community participation process**. Emphasis was placed on **sustainability** as a criterion for implementation to ensure that projects would be sustainable and avoid neglect or vandalism of our heritage.

It is proposed that these legacy projects be reconsidered with a view to implementation of low maintenance, non-opex initiatives through the Expanded Public Works and Community Works Programmes.

In addition to the Legacy Projects proposed in 1998, this approach should be applied to

- Protection, interpretation and presentation of our marine heritage
- The National Liberation Heritage Route

ii) Implementation

The National Heritage Council is developing the plan for the National Liberation Heritage Route as announced by President Zuma in the State of the Nation Address on 10 February 2011.

The proposed target date for completion of the detailed plan is 1 August 2011.

It is proposed that the other heritage legacy projects be programmed for implementation over a multi-year period by the Heritage Development programme of the DAC and that for each project a project manager be appointed to manage and participatory appraisal and planning process.

The proposed target date for completion of the programming for progressive implementation of the heritage legacy projects is 1 June 2011.

9.8 A Public Art Programme

i) Concept

It is proposed that a public art programme be developed as Expanded Public Works and Community Works Programmes.

The purpose of the programme would be:

- Development of public art works as part of the Heritage Legacy projects
- Beautification and storytelling through art in communities
- Showcasing of artistic talent
- Skills development

ii) Implementation

The DAC through its Cultural Development Programme has developed a Public Art Programme. It is proposed that a task team involving key individuals with experience in the development of public art work with the DAC team to develop a detailed business plan for a large scale public art programme

The proposed target date for completion of the business plan is 1 August 2011

9.9 Establishment of an Art Bank

i) Concept

It is proposed that an art bank be established as a funded commercial venture. The responsibility of the commercial entity would be to procure and curate art works in all public buildings, including South African Embassies, on an annual basis. The art works would allow exposure for artists for marketing of their work and would contribute to audience development and consumption.

It is further proposed that the artworks be auctioned annually to allow renewal of displays and ongoing interest in the offerings of the sector.

ii) Implementation

It is proposed that a project task team be established by the Minister, led by an identified project manager in the DAC, and involving key individuals involved in the establishment of the Johannesburg Art Bank as well as representatives from the National Arts Council.

The project team will be responsible for:

- Development of a plan and financial model for operation of the art bank
- Development of a detailed business plan for establishment and operationalisation of a commercial entity

The proposed target date for completion of the plans is 1 September 2011.

9.10 Mobilisation of funding

i) Portfolio of high priority projects

It is proposed that a very small number of high priority projects with national character be included in a portfolio of government supported projects to attract donor funding including country to country funding. Possible projects could include

- The National Liberation Heritage Route
- The conservation, development and presentation of our maritime heritage
- The development of the World Heritage Sites

It is proposed that this portfolio form the basis for soliciting funding through Head of State visits and through bilateral agreements

ii) Investing in culture

It is proposed that the investing in culture programme funding, allocated as Expanded Public Works Programme earmarked funding be reallocated to implementation of the proposed programmatic interventions that included aspects of Expanded Public Work.

iii) Government job creation incentives

It is proposed that the job creation incentives announced in the 2011 State of the National Address, the Budget Speech and the IPAP 2 be included by all project planning teams to support implementation of the proposals.

iv) Special funds

It is proposed that earmarked funds be established to incentivise the sector. These funds, such as a film fund, would allow support to defined numbers of productions / events / exhibitions based on clear criteria including an assessment of job creation potential and economic contribution. These funds would be incorporated into the mandates of the relevant DAC institutions with a mandate for funding and supporting the arts.

v) Lottery funding

The Minister and Deputy Minister of Arts and Culture will engage with their counterpart, the Minister of Trade and Industry to address the funding priorities and mechanism of disbursement of funds by Lottery to ensure alignment to mandate, transparency and efficiency in the disbursement mechanisms.

10. Management of infrastructure

The DAC, its institutions, the Provinces and Municipalities have developed and operate infrastructure for the arts, culture and heritage sector. Some of these development are unutilised and underutilised. It is proposed that there be a case by case review of categorisation of every building, that a remedial plan be proposed for unutilised and underutilised buildings where these building are well located and fit for purposed. It is proposed that poorly located buildings and building that are not needed for the core work of the sector are handed over to the Department of Public Works for utilisation for other government purposes of for disposal.

It is proposed that this audit commence immediately and be completed by the end of the financial year.

11. Establishment of a cultural observatory, policy review and legislative reform

In 2003 DAC commissioned the Social Cohesion and Integration Policy Research Unity of the Human Science Research Council to investigate the establishment of a South African Cultural Observatory.

The report recognises the need for and recommends the establishment of a mechanism to collect and analyse information. The establishment of a Cultural Observatory, a think tank for the sector, will allow analysis of trends to provide policy direction and inform resource allocation decisions.

It is proposed that a Cultural Observatory be established and that comprehensive research, based on the UNESCO uniform definitions of variables, be conducted, as a minimum mid-term and at the end of each political term.

The findings would inform the continuous process of review of policy, to inform legislative reform where applicable, based on analysis and learning from the successes and failures of implementation.

12. Conclusion

The proposals in this discussion document are conceptual, and by no means exhaustive. We therefore expect that different stakeholders in the sector to make contributions to further enhance the document. The additional inputs at the consultative conference will ensure the development of a shared perspective on what needs to be done in strengthening the contribution of the arts, culture and heritage sector to the New Growth Path.

The proposals are premised on general continuity, and introduction of new initiatives, as far as possible recognising, building on, expanding and scaling-up existing initiatives of the sector. The intention of the proposals is to facilitate expansion and growth of existing initiatives in the culture and creative industries to create large scale and high impact programmes, maximizing the growth and employment potential of the sector.

The implications of this approach are that government will review and rationalise its institutions to better implement its mandate together with all role players.